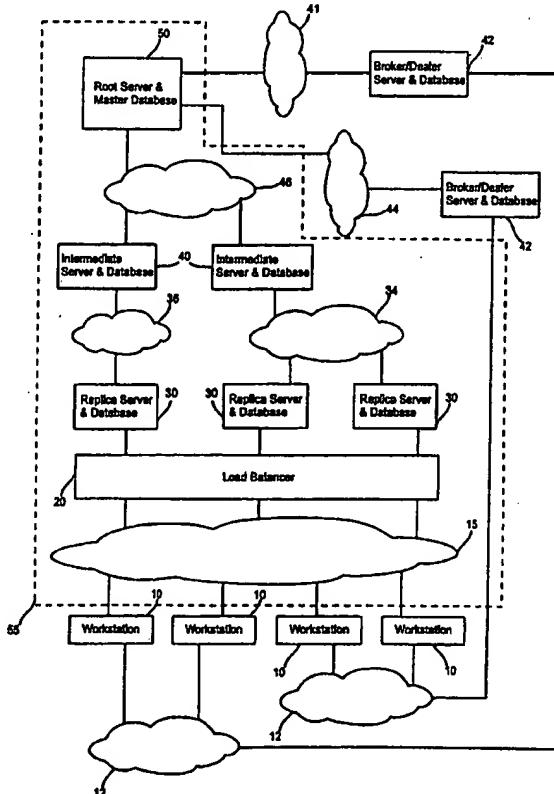




## INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

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<p>(21) International Application Number: <b>PCT/US00/05150</b></p> <p>(22) International Filing Date: 29 February 2000 (29.02.00)</p> <p>(30) Priority Data:</p> <table> <tr> <td>60/122,208</td> <td>1 March 1999 (01.03.99)</td> <td>US</td> </tr> <tr> <td>09/292,552</td> <td>15 April 1999 (15.04.99)</td> <td>US</td> </tr> <tr> <td>09/292,553</td> <td>15 April 1999 (15.04.99)</td> <td>US</td> </tr> </table> <p>(71) Applicant: WIT CAPITAL CORPORATION [US/US]; 826 Broadway, New York, NY 10003 (US).</p> <p>(72) Inventors: MAURO, Charles, L.; 130 East 75th Street, New York, NY 10021 (US). KLEIN, Andrew, D.; 70 East 10th Street, New York, NY 10003 (US). BUIST, Walter, D.; 405 Springfield Avenue, Hasbrouck, NJ 07604 (US).</p> <p>(74) Agents: MORRIS, Francis, E. et al.; Pennie &amp; Edmonds LLP, 1155 Avenue of the Americas, New York, NY 10036 (US).</p>		60/122,208	1 March 1999 (01.03.99)	US	09/292,552	15 April 1999 (15.04.99)	US	09/292,553	15 April 1999 (15.04.99)	US	<p>(81) Designated States: AE, AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CR, CU, CZ, DE, DK, DM, EE, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MA, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, TZ, UA, UG, UZ, VN, YU, ZA, ZW, ARIPO patent (GH, GM, KE, LS, MW, SD, SL, SZ, TZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).</p> <p>Published <i>With international search report.</i></p>	
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<p>(54) Title: A SYSTEM AND METHOD FOR CONDUCTING SECURITIES TRANSACTIONS OVER A COMPUTER NETWORK</p> <p>(57) Abstract</p> <p>The system and method of the preferred embodiment supports trading of securities over the Internet both on national exchanges and outside the national exchanges. In a preferred embodiment, users are subscribers to a securities trading service offered over the Internet. Preferably, each subscriber to this service is simultaneously connected from his own computer to a first system which provides user-to-user trading capabilities and to a second system which is a broker/dealer (42) system of his/her choice. The system providing the user-to-user trading services preferably includes a root server (50) and a hierarchical network of replicated servers supporting replicated databases. The user-to-user system provides real-time continuously updated stock information and facilitates user-to-user trades that have been approved by the broker/dealer systems with which it interacts.</p>												



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A SYSTEM AND METHOD FOR CONDUCTING SECURITIES  
TRANSACTIONS OVER A COMPUTER NETWORK

5

FIELD OF THE INVENTION

This invention relates to computer-aided trading of financial instruments, and preferably to trading of securities over the Internet.

BACKGROUND OF THE INVENTION

10 In the United States, the trading of securities is closely regulated under the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a-78mm. The term "security" is defined in 15 U.S.C. § 78c(a)(10) as "any note, stock, treasury stock, bond, debenture, certificate of interest or participation in any profit-sharing agreement or in any oil, gas, or other mineral royalty or lease, any collateral-trust certificate, preorganization certificate or subscription, transferable  
15 share, investment contract, voting-trust certificate, certificate of deposit, for a security, any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or in general, any instrument commonly known as a 'security'; or any certificate of  
20 interest or participation in, temporary or interim certificate for, or warrant or right to subscribe to or purchase, any of the foregoing . . . but shall not include currency or any note draft, bill of exchange, or banker's acceptance which has a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace, or any renewal thereof the maturity of which is likewise limited." Stocks are specific instances of securities. Although the  
25 preferred embodiment is primarily concerned with computerized stock trading, it is fully applicable to trading of any securities.

Securities are conventionally traded on exchanges. As set forth in 15 U.S.C. § 78c(a)(1), "the term 'exchange' means any organization, association, or group of persons, whether incorporated or unincorporated, which constitutes, maintains, or provides a market place or facilities for bringing together purchasers and sellers of securities or for otherwise 5 performing with respect to securities the functions commonly performed by a stock exchange as that term is generally understood, and includes the market place and the market facilities maintained by such exchange". Well known exchanges include, for example, the New York Stock Exchange, the American Stock Exchange and NASDAQ. Such known exchanges are referred to herein as national exchanges.

10 Usually securities are traded through brokers and dealers, which frequently use an on-line system to receive orders and facilitate trades. As set forth in 17 C.F.R. § 240.17a-23(b)(2) a broker/dealer trading system is "any facility that provides a mechanism, automated in full or in part, for:

(i) Collecting, receiving, disseminating, or displaying system orders [i.e., orders 15 to purchase or sell a security]; and

(ii) Matching, crossing, or executing system orders, or otherwise facilitating agreement to the basic terms of a purchase or sale of a security between system participants [i.e., the users of the trading system], or between a system participant and the system sponsor, through use of the system or through the system sponsor [i.e., the entity controlling the 20 broker/dealer system]."

In this patent application, the terms "security", "exchange" and "broker/dealer trading system", are used as defined above.

Systems are known for trading securities over the Internet on the national exchanges at the prices quoted on those exchanges. These systems support trading during normal

business hours of the national exchanges, which may not be convenient for many users, such as many individuals who would prefer to trade from home after the close of the exchanges. The existing systems, however, do not support active trading after the closing hours of the exchanges. Thus, there is a need for a system that permits the users to execute trades after 5 normal market hours (after-hours trades) without using an established exchange. And, there is a need for a system that permits users to trade with each other ("user-to-user trading") without involving an exchange.

The presently available systems are directed toward the presentation of numerically formatted information. Moreover, these systems do not provide a visualization of the status 10 of securities as they are traded so as to enable users to gain an essentially immediate and accurate impression of a stock's status, direction of movement, and rate of change, without having to resort to complex mental calculations and holding such calculations in short-term memory. But humans are unsuited to processing numeric information quickly and accurately, and performing mental calculations under stressful conditions places very high cognitive 15 workloads on humans. In addition to being poor processors of numeric information, humans also tend to have very weak short-term memories. Requiring users to perform mental calculations and then hold the results of those calculations in short-term memory while performing even more calculations is unnecessarily difficult and demanding, especially when users are placed under the additional stress of having to decide whether to buy, sell or hold a 20 stock. Traditional on-line trading systems further compound the problem by requiring users to navigate from page to page within the site to gather news and information on their positions, their profit and loss, their open orders, their current positions, and their financial account information. Each time a user moves to a new screen he is forced to store values, which are critical to informed trade-decision-making, in short-term memory.

Another deficiency in current Internet trading systems is that users cannot obtain a real-time quotation on a particular stock (or a portfolio of stocks) without manually requesting a specific quotation from the trading system server, often by typing it every time they need a quote, or hitting "refresh." That is, users of current Internet trading systems 5 cannot simply access the trading system and receive a continuously updated display of real-time quotes for a particular stock or a portfolio of stocks. The need to type in a stock symbol every time a quote is desired further contributes to the inefficiency of the existing systems.

Accordingly, there is a need for an efficient Internet-based trading system which provides improved human interaction and after-hours trading.

10

#### SUMMARY OF THE INVENTION

The system and method of the preferred embodiment supports trading of securities over the Internet both on national exchanges and outside the national exchanges. The preferred embodiment also supports an improved human interface and a continuous display of 15 real-time stock quotes on the user's computer screen.

In the preferred embodiment, the users are subscribers to a securities trading service offered over the Internet. Each subscriber to this service is simultaneously connected from his own computer to a first system which provides user-to-user trading capabilities and to a second system which is a broker/dealer system of his/her choices. By user-to-user trading we 20 mean a trade that is made between two users of the system. The system providing the user-to-user trading services includes a hierarchical network of replicated servers supporting replicated databases. The broker/dealer system is a server-based system such as any one of the systems currently used by broker/dealers to maintain their clients' accounts. The use of these broker/dealer systems in the present invention is conventional except for their

interaction with the user-to-user trading system. In particular, each broker/dealer server communicates with the user's computer as well as with the root server of the user-to-user system when the user's account is affected, and the user-to-user system provides real-time continuously updated stock information and facilitates user-to-user trades that have been

5 approved by the broker/dealer systems with which it interacts.

Users of the preferred system can trade securities with other users of the system after national market trading hours. As part of this user-to-user trading, a user can accept a buy or sell offer at the terms offered or he can initiate a counteroffer and negotiate a trade. This ability to have users trade and negotiate trades among themselves creates a market within the

10 subject system, referred to herein as "after-hours market" or "Nite Market," but which is capable being operated 24 hours per day, 7 days per week.

The preferred embodiment provides an ergonomic graphical user interface (GUI) that includes at least some of the following functional benefits in comparison with existing on-line consumer trading systems: (1) faster access to critical information; (2) faster execution of

15 primary trading functions; (3) better decision making during the trading process; (4) fewer undetected critical errors; (5) easier correction of detected errors; (6) faster and more reliable problem resolution; (7) improved use of each user/trader's desktop workspace; (8) easier customization and configuration based on user experience; (9) easier and faster initial setup of each user's securities on the system; and (10) faster and more stable acquisition of trading

20 skills. The GUI of the preferred embodiment graphically displays a "visual quote" that shows at a glance the condition of the market in a security and the user's relative position based on the status of the security in the marketplace. This visual quote provides a graphic representation of the important variables that the user needs to make accurate trading decisions without interpreting traditional numeric quotes. Further, the GUI of the preferred

embodiment, unlike other on-line trading interfaces, does not require users to page to a separate screen to view their current and open positions in a security, thereby reducing errors and short-term memory demands on the user and improving the quality of on-line trading. The preferred embodiment also provides speed-trading functions as well as visual feedback 5 that tracks the progress of the security trading process.

Although the preferred embodiment described below relates to computerized stock trading, it is readily applicable to trading of any securities and, in addition, a person skilled in the art will readily appreciate how the disclosed technology can be used for other forms of computerized trading (e.g., trading airline tickets, automobiles, or theater tickets).

10

#### BRIEF DESCRIPTION OF THE DRAWINGS

These and other objects, features and advantages of the invention will be more readily apparent from the following detailed description of a preferred embodiment of the invention in which:

15 **FIG. 1** illustrates a communications system of the preferred embodiment.

**FIG. 2** illustrates an alternative embodiment.

**FIG. 3** is a flow diagram illustrating the operation of the preferred system for the user-to-user trades.

20 **FIG. 4** illustrates how the alternative embodiment illustrated in **FIG. 2** enables the real-time updating and transmission of information.

**FIG. 5** illustrates a graphical user interface (GUI) of the preferred embodiment.

**FIG. 6** depicts a visual quote and order book display.

**FIG. 7** depicts an open orders display.

**FIG. 8** depicts a current positions display.

**FIG. 9** depicts a financial summary display.

**FIG. 10** is a news and information display.

**FIG. 11** is a trade ticket display.

**FIG. 12** is a stock summary display.

5       **FIG. 13** is a multiple pricing maps display.

**FIG. 14** depicts a real-time chart of stock activity.

**FIG. 15** is a function button display.

**FIG. 16** is an illustration of four different views available through expanding and shrinking the master trade screen.

10       **FIG. 17** is a flow diagram illustrating software that enables a user to obtain and install the graphical user interface (GUI) software of the preferred embodiment and open a new account.

**FIG. 18** is a flow diagram illustrating logging onto the system and visualizing the stock market in the alternate embodiment described in **FIG. 3**.

15       **FIG. 19** is a flow diagram illustrating software of the preferred embodiment which enables a user to view trading and account information on one screen and facilitates fast and accurate trading of stocks.

**FIG. 20** is a flow diagram illustrating software of the preferred embodiment which enables a user to visualize the detailed market in other stocks with one action.

20       **FIG. 21** is a flow diagram illustrating software of the preferred embodiment which enables a user to execute a buy order in a stock.

**FIG. 22** is a flow diagram illustrating software which enables a user to execute a sell order in a stock.

**FIG. 23** is a flow diagram illustrating software which enables a user to execute a change order in a stock purchase already entered into the system.

**FIG. 24** is a flow diagram illustrating software which enables a user to execute a cancel order for a stock purchase already entered into the system.

5       **FIG. 25** is a flow diagram illustrating the computer steps by which a user negotiates for a better price in a stock shown in the after-hours stock market of the preferred embodiment.

**FIG. 26** is a flow diagram illustrating software supporting the context-sensitive "Help" function of the preferred embodiment.

10       **FIG. 27** is a flow diagram illustrating software which enables a user to view several instances of the order books of the after-hours market on one screen.

**FIG. 28** is a flow diagram illustrating the computer steps required for compressing the view of the master trade screen of the GUI of the preferred embodiment.

15       **FIG. 29** is a flow diagram illustrating the computer steps required to expand the display of the GUI of the preferred embodiment to obtain a full view of the master trade screen.

**FIG. 30** is a flow diagram illustrating the software of the preferred embodiment for alerting a user to movements on stocks according to user-defined preferences.

20       **FIG. 31** is a flow diagram illustrating how the preferred embodiment enables a user to visualize the general status of stocks and related positions via an analog graphic display.

**FIG. 32** is a flow diagram illustrating how the preferred embodiment enables a user to visualize the best price in a security from an analog graphic display of alternate markets.

**FIG. 33** is a flow diagram illustrating the operation of the news gathering and distribution system of the preferred embodiment.

**FIG. 34** is a flow diagram illustrating software which enables a user to view the status of his open orders in a stock.

**FIG. 35** is a flow diagram of software which enables a user to view the status of positions and profit and loss information (P&L).

5       **FIG. 36** is a flow diagram illustrating software which enables a user to view the status of his account history.

**FIG. 37** is a flow diagram illustrating software which enables a user to view the status of his account balances.

10      **FIG. 38** is a flow diagram illustrating software which enables a user to receive and view email messages for account activity functions.

**FIG. 39** is a flow diagram illustrating software which enables a user to view and select the best price for the same stock sold in several markets.

15      **FIG. 40** is a flow diagram illustrating software which enables a user to view the market in a stock by accessing the visual quote and providing visual display of stock performance.

**FIG. 41** is a "Set defaults" display for the user-to-user negotiation mechanism of the preferred embodiment.

**FIG. 42** is a negotiations screen.

**FIG. 43** illustrates how the negotiation screen fits into the master trade screen.

20      **FIG. 44** illustrates how a user adjusts the values in his counteroffer.

**FIG. 45** illustrates how the application displays the potential effect of a user's counteroffer.

**FIG. 46** illustrates how an offering trader responds to a user's counteroffer.

**FIG. 47** illustrates how a user makes an offer to sell and then receives buy counteroffers.

**FIG. 48** illustrates how the preferred embodiment enables a user to conduct more than one in-coming negotiation and more than one out-going negotiation simultaneously.

5 **FIGS. 48A** and **48B** show a flow diagram illustrating how the system enables one user to negotiate with another user.

**FIG. 49** is a "Most viewed stocks" display.

**FIG. 50** is a fully compressed view of the GUI of the application (see **FIG. 16**).

**FIG. 51** shows a "Quick Quote" display.

10 **FIG. 52** shows a "Stock alert set up" display.

**FIG. 53** shows a connection status indication display.

**FIG. 54** shows a compressed spread display.

**FIG. 55** shows an email display.

**FIG. 56** shows a "Final Verification" screen.

15 **FIG. 57** shows an analog graphic display for viewing the price of a stock on several markets at one time.

**FIG. 57A** is a "Most Active Stocks" display.

**FIG. 57B** shows how the most viewed stocks display shown in **FIG. 49** is displayed in the same screen as the Order book display, chart display, and most active stocks display.

20 **FIG. 57C** shows a multi-screen view created by a "Peel off display" function.

**FIG. 58** shows an applet version of the display of a real-time chart of the stock activity shown in **FIG. 15**.

FIG. 59 shows an applet version of the most active stocks display shown in FIG. 57A.

FIG. 60 shows an applet version of the most viewed stocks display shown in FIG.

57B.

5 FIG. 61 shows an applet version of the order book display shown in FIG. 6.

FIG. 62 shows an applet version of the news display shown in FIG. 10.

#### DETAILED DESCRIPTION OF PREFERRED EMBODIMENTS

As noted, the preferred embodiment supports both traditional on-line securities  
10 trading on national exchanges and on-line user-to-user trading outside the national exchanges.  
The preferred embodiment employs both a system specifically developed for such trading  
(sometimes simply referred to as the preferred system) and one or more broker/dealer  
computers of the type customarily employed for computerized on-line trading.  
In the preferred embodiment, each of a multiplicity of users' workstations is  
15 simultaneously connected via the Internet to one of a plurality of broker/dealer computers and  
to a user-to-user trading system. Each broker's computer stores the account data and similar  
information customarily stored at a broker's server computer for the broker's clients. The  
preferred system communicates with each broker's server computer and in addition provides  
real-time updates for stock quotes both as a part of the service supporting day trading on  
20 national exchanges and as part of the service supporting user-to-user trading. For the user-to-  
user trading service the system maintains real-time data reflecting buy and sell orders for the  
supported securities, and is capable of displaying the same information for national  
exchanges if that data is provided by the exchange(s). This data reflecting users' orders to  
buy and sell for each security is referred to as the "order book" for a security. The users

interested in a given security receive at their workstations real-time displays of the order book for that security. In one embodiment of the invention, such order book information is selectively provided to users on a subscription basis. It is also capable of being displayed (free, or for a fee) by Internet portals such as Yahoo!, Altavista, etc.

5       Users' workstations, which are typically ordinary personal computers or other computer devices with sufficient processing and storage capabilities, store application software (also referred to hereinafter simply as "application") that supports a connection both to the user-to-user trading system and to the broker/dealer computer so as to display to the user the information available from both sources. As noted, the user's account and similar 10 data is provided by the broker/dealer's server and the user-to-user trading data as well as real-time quotes are provided by the trading system. The application on the user's workstation preferably employs a user interface combining data provided from both sources.

FIG. 1 illustrates a communications system of the preferred embodiment. The system comprises a plurality of work-stations 10, each of which is connected via a communications 15 network 12 to one of a plurality of broker/dealer servers and databases 42 and each of which is connected via a communications network 15 to a hierarchical server and database structure 55. The hierarchical structure comprises a root server and master database 50, intermediate servers and databases 40, replica servers and databases 30, and a load balancer 20 interconnected by communications networks 34, 36 and 46. In addition, the broker/dealer 20 servers and databases 42 are connected to the root server and master database 50 via communication networks 41, 44. The intermediate servers and databases 40 may not be used in some embodiments. In general, the number of levels of servers in the hierarchy of servers is based on the system load and specific capabilities of computers selected as servers, as understood by a person skilled in the art.

The computers employed as servers can range from personal computers to larger computers, e.g., workstations and multiprocessors, selected as understood by persons skilled in the art. Illustrative such computers are Pentium™-based computers and computers manufactured by Sun Microsystems™. The computers employed by the users are referred to 5 as user's workstations and can be personal computers or other devices (e.g., Internet appliances) with sufficient processing capabilities as understood by a person skilled in the art. Illustrative such user workstations are personal computers using Pentium™ microprocessors and operating under a Windows 95™ or 'Windows 98™ operating system. One skilled in the art of computer systems will understand that the present invention is not limited to a 10 particular class or model of computer employed for both servers and users' workstations and will be able to select an appropriate system based on the specific requirements.

It should be noted that a typical computer system that may be employed here as a server or a workstation includes a central processing unit, a primary memory, e.g., RAM, one or more secondary memory storage devices, e.g., floppy or hard disk drives, CD-ROMs, 15 DVDs, or tapes, and communication interfaces, e.g., a modem, a network interface, or other connection to external electronic devices, such as a serial or parallel port. It also includes (primarily for the workstations) input devices, e.g., a keyboard, mouse, microphone, or other similar device and output devices, e.g., a computer monitor or any other known computer output device. A system bus provides communications between these elements.

20 Program execution of such a typical computer is usually controlled by an operating system, such as WINDOWS, DOS, or UNIX. Programs executed by the servers are resident at the server computers and run under the control of the server operating system. In the preferred embodiment, the user workstations execute application programs (applications), resident at the workstations, under the control of the operating systems of the workstations.

In other embodiments and as understood by a person skilled in the art, the functions of the workstation applications may be performed by the server and workstations may only include a browser, as known in the art, that enables a user to exchange information with the server.

The root server and master database **50** contains real-time security information, 5 including order book information for each security that can be traded on the system, and a list of subscribers for each order book (see **FIG. 3**). In other words, it holds offers to buy and sell for each such security that are provided by the users of the user-to-user trading system (or by the national exchanges, if they provide access to their order books). As noted, the "book" refers to such user-to-user trading orders entered for each security. To support day-time 10 trading, the master database includes real-time securities quote data supplied from conventional sources of such data. Advantageously, at least the stocks that are traded on the national exchanges can be traded on the system of the preferred embodiment.

Intermediate servers and databases **40** and replica servers and databases **30** include 15 copies of the master database. Updates to the master database **50** are sent on a real-time basis to the databases **30**, **40** via communications networks **34**, **36**, **46**. In the preferred embodiment, servers and databases **30**, **40** and **50** are all located at the same site and the networks **34**, **36**, **46** are the same network, which is a local area network (LAN); but in alternative embodiments the servers and databases **30**, **40** and **50** may be dispersed and the networks could also be the Internet, public or private telephone networks, or other methods of 20 linking computers as known in the art. Network **15** preferably is the Internet, but may be public or private telephone networks or other communication networks known in the art.

In the preferred embodiment, when a replica server **30** receives updated information from a user workstation **10**, the replica server **30** does not update its database, but transmits the updated information to the root server **50**, which then updates the master database.

Thereafter, the updated information is transmitted to the intermediate and replica servers 40, 30 which then update their databases. In an alternative embodiment, the replica and intermediate servers 30, 40 update their databases as they are transmitting the information up to the root server 50. In another preferred embodiment, the intermediate servers 40 do not 5 include databases which replicate the master database, and essentially transmit information between the replica servers 30 and the root server 50. This system enables real-time responses on Internet architecture.

As indicated, each workstation 10 is also connected to a broker/dealer server and database 42 via a network 12. The broker/dealer server and database 42 contains a 10 workstation user's account information (e.g., number of shares of each stock held by the user, amount of money in user's account, and other data relating to user's securities' holdings). In the preferred embodiment, the network 12 likewise is preferably the Internet. Alternative embodiments of network 12 include LANs, telephone networks, and other known methods of linking computers. Each broker/dealer server 42 is also connected via a network 41, 44 to the 15 master server 50. In the preferred embodiment, this network connection is a secure point-to-point communication link. In an alternative embodiment, the network can be the Internet, telephone network, or another method of linking computers.

**FIG. 2** illustrates an alternative embodiment. In such an alternative embodiment, all of the user's account information is stored in the master database 50. Thus, there is no need 20 for a user to access a separate broker/dealer server and database to obtain approval for transactions conducted on the system. This embodiment can be supported by the computer architecture discussed in connection with **FIG. 1** except that the broker/dealer computer is not used. That is, as illustrated in **FIG. 2**, the root server 50 communicates with optional

intermediate servers 40 which in turn communicate with replica servers 30. The replica servers interact with users' workstations 10. In this embodiment the servers store information relating to users' accounts and portfolios as well as to the data discussed above. This information is dynamically updated as a result of user transactions.

5 **FIG. 3** is a flow diagram illustrating the operation of the preferred system for the user-to-user trades. This flow diagram provides an example of the steps by which a user connects to the system of the preferred embodiment, requests and receives a displayed order book for a selected stock, and purchases shares of that stock. Based on these examples, a person skilled in the art will understand how other sequences of operations for user-to-user 10 trading can be performed. Also, based on this example, a person skilled in the art will understand how traditional trading during the day on national exchanges is performed in the preferred system. Preferably, traditional trading is accomplished on the broker/dealer system, except that real-time quotes for selected securities are continuously provided by the system.

To connect to the trading system of the preferred embodiment, a user at step 310 first 15 activates the application which generates on the display screen of the user's workstation a connection status display (see **FIG. 53**) that establishes a connection to the server/database of the user's broker/dealer. As noted, in the preferred embodiment, the application is a computer program resident and executable at a user's workstation. When the user's ID and password are verified by the broker/dealer's server, the application establishes at step 314 a 20 second, contemporaneous connection to the load balancer 20 for the replica servers 30. At any one time it is expected that a large number of individuals will be connected to the hierarchical server and database structure 55 as well as to a selected broker/dealer server and database 42 of their choice. The load balancer determines to which replica server 30 each user should be connected to so as to substantially evenly distribute the load among the replica

servers. This determination may be based on criteria such as which replica server has the least number of users connected, which replica server is next in order, or on other considerations known in the art. The load balancer then transfers, at step 318, the user's connection to the selected replica server 30. The selected replica server and the broker/dealer 5 server then provide to the user's workstation the information needed by the application to generate various displays. To avoid undue repetition, the subsequent description often describes a user's application as connecting to a replica server, instead of describing the application as first connecting to a load balancer and then to a replica server. It will be readily apparent to those skilled in the art that in such cases a load balancer, although not 10 mentioned, is understood to be the initial connection point.

At step 322 the user selects a stock of interest by typing the stock symbol into an appropriate display (see FIG. 6, slot 642); and at step 326 the application at the user's workstation sends the identity of the selected stock to the replica server 30. The replica server and database then adds this user to the subscriber list for the order book of the selected 15 stock. See step 330. That is, the user is listed as a user who is to receive order book information for the selected stock. Thereafter, at step 334, the replica server sends order book information to the user's application and continues to send updated information to the user's application in real-time. As indicated at step 338, the application uses the order book information to fill in the order book display (see FIG. 6) and related displays. The user then 20 views the order book display and related displays. Assuming that the user decides to sell some of his/her holdings in the displayed securities, at step 342 he/she fills in a trade ticket (see FIG. 11) for a sell order and selects the "Verification" button on the trade ticket display. (Alternatively, at this point, the user may choose to purchase securities. The purchase

transaction is discussed below in connection with steps 374-398). As indicated, at step 346, the user then views the final verification screen (see FIG. 56) provided by the application and selects the "Send" button. In response, the order is transmitted to the server and database of the user's broker/dealer, which checks, at step 350, whether the user has sufficient shares in 5 his account for the requested transaction. The preferred embodiment does not provide for a short-sell option in the user-to-user trading, although this capability may be provided in the alternative embodiment, as understood by a person skilled in the art. Short-selling is customarily provided for trading during the day on a broker/dealer system.

If the transaction is approved, at step 354, the server of the broker/dealer sends the 10 user's approved sell order to the root server 50, which attaches a system ID to the order, identifying the user's account, his order (stock symbol, size, price, and whether buy or sell), and his broker/dealer. At step 358 the root server 50 updates the master database with user's order, and revises the order book for the selected stock. The new sell order information is transmitted, at step 362, to the replica servers 30 which update their respective replica 15 databases to reflect this sell order. Each replica server, which is connected to users that are listed as subscribers to the order book of the selected stock, sends at step 366, the updated order book information to the subscribers' applications, including the user's offer. The applications receive this sell offer and, at step 370, display the offer in the order book displays of the subscribed users. Although the order book information is provided from the 20 appropriate replica server, the account information is preferably provided from the broker/server system.

Subsequently, another user who is likewise connected to the hierarchical server and database structure 55 as well as to a broker/dealer server 42 of his choice sees the first user's sell offer and, at step 374, accepts the offer (executing a buy order). The buy order, along

with an ID assigned to the corresponding offer to sell, is transmitted at step 378, to the server and database of the buyer's broker/dealer using another, preferably Internet, connection that the buyer has to his broker/dealer system. The buyer's server checks, at step 382, whether the buyer has sufficient funds or credit in his account to purchase the stock offered by the seller.

5 The buyer may purchase stock on margin if he has a margin account and sufficient credit with the broker/dealer. Also, a broker/dealer may not authorize a transaction if buyer's profile and preference do not correspond to the characteristics of the security that he wants to purchase.

If the transaction is approved, at step 386, the buyer's broker/dealer sends the approval of the order along with sufficient information to identify the buyer and the order to 10 the root server 50. At step 390 the root server 50 notifies the broker/dealer systems of both parties of the details of the transaction so as to identify which funds and shares must be transferred to which accounts, updates the master database to reflect the completed transaction, and transmits the updated order book information to the replica servers. The replica servers then update their respective databases and, at step 394, transmit the updated 15 order book information to the subscribing users. In the updated order book, the accepted offer to sell has been removed. The broker/dealer servers of both parties to the transaction notify the applications of the parties that the transaction is confirmed (by updating the open positions and related displays, and preferably also by email), and at step 398, the applications update the current positions and related displays of the parties to the completed transaction.

20 The exchange of securities and money takes place subsequently in a conventional way between the broker/dealers of the buyer and the seller.

**FIG. 4** illustrates how the alternative embodiment illustrated in **FIG. 2** enables the real-time updating and transmission of information. In general, when a user provides new data to the replica server that his work station is connected to, this data propagates to the root

server 50. From the root server 50 it then propagates to all the other replica servers. For example, user (A) enters at 470 an order to buy or sell a security at a certain price level (e.g., buy 100 shares of IBM at \$180.00). The system then passes the user's order via step 485 to the root server 50 through an intermediate server 40. The root server 50 then records the 5 order and re-transmits the information through all the intermediate servers 40 and to all of the replica servers 30, so that all databases remain synchronized. The front-line replica servers then transmit the user's order to the other users 455, 460, 465, 475, and 480 who are on the subscriber-list for the security on order. If any of those users accepts the order of user 470, this information goes up and down the chain the same as the order from user 470.

10 **FIG. 5** illustrates a graphical user interface (GUI) of the preferred embodiment. The depicted screen, known as the master trade screen, comprises several parts. The upper left part is a visual quote and order book display 500 (see detailed view in **FIG. 6**). Below that is a trade ticket 510 (detailed view in **FIG. 11**). The upper-right part is a news and information display 540 (detailed view in **FIG. 10**). Just below that is an open orders display 545 15 (detailed view in **FIG. 7**). Immediately below that is a current positions display 550 (detailed view in **FIG. 8**). Just below that is a financial summary display 560 (detailed view in **FIG. 9**). Below that is a stock summary display 520 (detailed view in **FIG. 12**). At the bottom of the master trade screen are function buttons 530 (detailed view in **FIG. 15**).

The function buttons 530 are of sufficient size to allow for the display of full-length 20 labels sufficient to ensure maximum comprehension by the user. They are also of sufficient size and height to allow for the insertion of descriptive labels in languages requiring long character strings (German, e.g.). This feature enables the easy customization of the GUI for global markets.

The order in which the screen components 540, 545, 550, and 560 are displayed in the right-hand display area can be altered based on user selections provided by permutation of the order in which the function buttons in bar 530 are selected. The buttons 530 are also used to remove the screen components 540, 545, 550, and 560 by a single click selection of the 5 corresponding button on the function button bar 530. When screen components 540, 545, 550, or 560 are shown in the master trade screen, the corresponding function buttons are highlighted in reverse video.

A user can alter the vertical size of screen components 540, 545, 550, and 560 by selecting and dragging the borders of the components. This feature allows a user to 10 determine the amount of information displayed in each of the screen components 540, 545, 550, and 560. The user can also change the size of the entire master trade screen by dragging the screen borders.

The combination of elements of the master trade screen display enables a user to view critical information necessary to make an effective decision concerning the status of the 15 market in a stock or stocks of interest: current account balances, open orders, positions, news and research, e-mail communication, overall portfolio status, and the condition of all major markets. This information is displayed without the user having to switch to alternate screen views and without using overlapping windows. The order book display 500 (and the related displays – most viewed stocks display, chart display, and most active stocks display – see 20 FIG. 57B) and the stock summary display 520 are provided by the application software based on data received from the replica server 30. The open order display 545, current positions display 550, and the financial summary display 560 are provided by the application software based on data received from the server of the user's broker/dealer. Each of the displays 500,

510, 520, 540, 545, 550, and 560 has a "Help" button in the upper right hand corner that provides a multi-level help system as set forth in greater detail in conjunction with FIG. 26.

FIG. 6 depicts a visual quote and order book display 510 for use in user-to-user after hours trading, and to display national market information. The status of the market (open or closed) is shown at 610. The three columns 614 at the right comprise a compressed view pricing map, which shows a simplified view of the bid, ask, and spread for the stock in active trading and also shows the last trade of the day on the national exchange. The user's position is also displayed and is based on the average price of the shares held in the user's account. It is shown by the graphic indication 640 on the vertical price scale section. This graphic indication is an analog representation of the user's average price for the shares held in the stock shown in the price map display 614. If the user's position is off the scale, an indicator is used to show the direction of the user's position. For illustration, such an indicator is shown in FIG. 6 at the bottom of the column containing the user's position indicator 640. The information displayed at 648 immediately below the price map display 614 is an alphanumeric summary of the user's average price of the stock, current profit or loss based on the current price of the stock, and the user's overall P&L percent gain or loss. This display is designed to provide a high-level view of the stock and its relative movement compared to the previous market and the user's position. If the user clicks on "More info" 616, he is linked to an after-hours information site. The column 620 under "Day" is the national market indications column. The column 624 under "Nite" is the after-hours market indications column. The horizontal stripe 628 displays the amount of the last trade/ask, and is green. The horizontal stripe 632 immediately below that is a "zoom" view of the detailed spread, and is black. The horizontal stripe 636 just below that is the bid. The horizontal stripe 644 is

the last sale price in the national market, for the stock shown. The three displays 648 ("Your pos.," "P&L," and "Overall P&L") display the user's position data on the selected stock, calculated in real-time based on the real-time quote.

5 The seven columns to the left of the pricing map are the order book display. The order book display enables the user to see at a glance how a particular stock is trading on the user-to-user system. The order book is designed to give a lay user the same type of information that is available to brokers at the national exchanges.

10 The center column under "Decimals" is the price column, and lists stock prices in 1/16 increments. The three columns to the left of the price column set forth buy side orders and the three columns to the right set forth sell side orders. The "Limit Qty." and "AON Qty." columns list the size of orders at each price level posted into the system by other users. The Your orders show columns the user's order in the stock. The area 668 (in this example, containing the number 6000) contains the amount of the current ask size. The area 672 (in this example, containing the number 52.1875) contains the amount of the current ask price, 15 and is highlighted in yellow.

15 The area 676 contains the price spread, and has a black background. The area 680 contains the current bid size (here, 200), and the current bid price (here, 52). It is highlighted in yellow. The "Order Bk." button 681 is selected to call into view the order book display as shown. The button 656, "Compress spread," compresses the spread and orders included in 20 the spread down to one line. The compressed view shows the last bid, best offer, and a single line spread shown on a red background with white characters (see FIG. 54). The quantity shown in the red bar is the total price of the spread in one line. If there are "all or none" (AON) orders contained within the spread they are shown as total amounts. When the display shows the compressed spread, the button 656 shows the label "Expand spread." Clicking the

button 656 then returns the display showing the full, evenly incremented spread. The button 664 ("Symbol") is selected when the user wants to display a different stock. When the button 664 is clicked, a data field is displayed wherein the user may enter the symbol of the new stock to be displayed.

5 When the "Chart" button 682 is selected, the order book display is replaced with the chart of stock activity displayed as in FIG. 14. When the "Most active" button 683 is selected, the stock summary display shown in FIG. 57A is displayed, with the most active stocks shown in real-time and updated in real-time. The "News out" button 660 flashes or is highlighted when news is out on the stock in view. The "Show news" button 688 causes 10 screen component 540 to show the current news summary and details for the selected stock. An alternative means of displaying the stock order book, chart, and news is by double-clicking the desired stock shown in the stock summary display. The "Vol." number 677 indicates the volume of shares traded in the currently active market (national market or after-hours market). The "Hi" price 678 is the high sale price for the selected stock during the 15 current trading session. The "Low" price 679 is the low sale price for the selected stock during the current trading session. The "Last Nite" number 689 shows the last sale price in the after-hours market. The "Chng. Nite" number 690 shows the percent change in the after-hours market. The "Last Day" number 691 shows the last call in the national market. The "Chng. Day" number 692 shows the percent change in the national market. The "Day Mkt" 20 and "Nite Mkt" buttons 669 toggle the displayed "Vol.," "Hi," and "Low" numbers 677, 678, and 679 between the after-hours market and the national market.

FIG. 7 depicts an open orders display 545. This display shows the user's orders that have not yet been completed. A "Change" button 710 at the lower right is used to change an

order that is still open (see **FIG. 23** for a description of how an open order is changed). A “Cancel” button **730** at the lower left is used to cancel an order that is still open (see **FIG. 24** for a description of how an open order is canceled). A “Sort” button **720** is used to display the open orders according to different parameters.

5       **FIG. 8** depicts a current positions display **550**. For each security in the user’s account as identified by a standard symbol, the display indicates the number of units held, the cost per unit, the current price, the change in value and the dollar amount of the profit or loss. The “Sell” button **810** is used to pre-populate a trade ticket with a selected stock’s information as listed in the user’s current positions display. A conventional Windows-type scroll bar and up 10 and down keys on the right hand side of the display are used to move a selection bar through the display of stocks. The “Sort” button **820** is used to sort the displayed positions by different parameters (price, quantity, etc.). The “Reports” button **830** is used to request news on the selected stock.

FIG. 9 depicts a financial summary display **560**. The balance for each category is 15 shown in the “Balance” column **910**. The profit or loss for each account category is shown in the “Profit/loss” column **920**. The change in each account category for the day is shown in the “Change/Day” column **930**. The change in each account category for the year-to-date is shown in the “Change/YTD” column **940**. The “Equities” row **945** lists the user’s equities account information. The “Mutual Funds” row **950** lists the user’s mutual funds account 20 information. The “Grand sum” row **955** lists the user’s summarized account information. The “Cash acct.” row **960** shows the funds in the user’s cash account. The “Margin” row **965** shows the funds in the user’s margin account. The “Open orders” row **970** shows the value of

the user's open orders. The "Negotiations" row 975 shows the value of the stocks the user has in negotiations. The "Buying Power" row 980 shows the user's buying power.

**FIG. 10** is a news and information display. The news and information display is actually a customized Internet web browser, and its functionality is derived from that fact.

5 For example, when the "Show Email" button 1010 is selected, a standard email server interface is displayed (see **FIG. 55**). The "Search" slot 1030 is used in the same manner as the "Address" slot in Internet Explorer and the "Location" slot in Netscape Navigator. The "Back," "Forward," "Home," and "Bookmarks" buttons, e.g., function the same way as their counterparts in other browsers. If the email display is being shown, the user clicks the "Show 10 news" button 1020 to return to the news display.

**FIG. 11** depicts a trade ticket display 510. The "Action" slot 1125 is used to indicate whether the order is a buy order or a sell order. The "Quantity" slot 1130 is filled in with the number of shares in the user's order. The "Symbol" slot 1135 is filled in with the symbol of the stock the order is for. The "Limit" slot 1160 is used to indicate the nature (e.g., limit, 15 stop) of the order. The "Limit Price" slot 1140 is filled in if the order is a limit order. The "Stop Price" slot 1145 is filled in if the order is a stop order. The "Duration" slot 1150 is used to indicate the duration of the order (e.g., day, good till canceled). The "Condition" slot 1155 is used to indicate whether there is a condition on the order (e.g., all or none). The "Account" slot 1165 is used to indicate the type of account used. The "Route to" slot 1170 is 20 used to indicate special routing instructions (route order to a specific market). The user's buying power is displayed in the line 1112. The user's balance if the proposed trade is executed is displayed in line 1114. The total cost of the proposed trade is displayed in line 1116. The "Clear" button 1115 clears the trade ticket entries. The "Negotiations allowed"

box 1175 is checked if the user is willing to negotiate on the order, and the "Anonymous" box 1180 is checked if the user wishes to remain anonymous. The "Verification" button 1110 is clicked to display the "Final Verification" screen.

FIG. 12 depicts a stock summary display. The button "WIT" 1210 at the left of the 5 summary screen display is clicked to display the most active stocks in the trading system.

When the button 1210 is clicked by the user, the application notifies the replica server, which then sends the required information back to the user's computer, where the application displays the most active stocks on the system. The button "Watch stks." 1220 is clicked to display stocks the user has added to his "watch list" (same as "wish list"; see FIG. 51). The 10 button 1230 is used to display stocks the user holds in the system.

FIG. 13 depicts a multiple pricing maps display. Illustratively, FIG. 13 shows pricing maps for six different stocks in the after-hours market. Each pricing map provides the same information in the same format as that in the pricing map depicted in columns 614 of FIG. 6. The identity of each stock is shown at the top of the pricing map 1335. If the user double-clicks on the closing price of the stock 1310 in the national market (NM), a chart view of the stock is displayed (see FIG. 14). If the user double-clicks on the spread 1330, an order book display (see FIGS. 5 & 6) for the selected stock is provided. The "News out" status indicator 1420 flashes when news is out on the stock that may have an effect on the stock's movement. To pull up news in a display on the right hand panel of the interface, the user double-clicks on 15 the "News out" indicator. If the user double-clicks on a Buy button 1325 (or a Sell button), the application automatically pulls up a trade ticket (see FIGS. 5 & 11) that is filled with data from the user's positions file. The selection of "Sell" populates the trade ticket with the user's entire position in the selected stock. The selection of "Buy" populates the trade ticket 20

with information including a default quantity value set in the preferences menu by the user. The user can double-click on the best bid or offer and hit or take the quantity at that price level. This action automatically populates the trade ticket with the selected price. The user can adjust any values in any pre-filled fields. The red box 1315 in the center section of each 5 pricing map shows the average price of the user's shares in the stock. This is a graphic analogue of the user's average price in the selected stock as shown in the user's positions file. A double-click of the red box 1315 brings the selected stock to the top of the user's positions file. If the user has multiple purchases in his file, the largest quantity is shown first. The values 1340 are updated in real-time as the market moves.

10 **FIG. 14** depicts a real-time chart of stock activity. The thick black vertical line 1410 shows the close of the national market and the opening of the after-hours market. Line 1410 is blue. A similar line, not shown in **FIG. 14**, shows the closing of the after-hours market and the opening of the national market. The vertical lines 1430 show hour-long increments. A pricing map is shown on the right hand side of **FIG. 14** and displays essentially the same 15 information in the same format as that depicted in columns 614 of **FIG. 6**. The horizontal bar 1415 shows the last trade/ask price in the after-hours market (in **FIG. 14**, the after-hours market is the market that is open). The bar 1415 is green. The horizontal bar 1425 is yellow, and shows the current bid price. The area 1420 between the bid and ask is the spread, and is in black. Since the national market is closed, the last price on the national market is indicated 20 by the horizontal bar 1435, and that bar is green. The vertical bar 1434 has an indicator 1432 (preferably red) showing the user's average share price in the stock shown. If a user's position in the stock shown is not viewable within the scale of the price chart a visual indication is shown at the top or bottom of the user's position column 1434 indicating the

direction in which the user's position sits with respect to the current market. The horizontal bar 1450 optionally contains a scroll bar (not shown) which permits the user to scroll horizontally over the past 24-hour period. The horizontal lines 1455 are price level lines which permit the user to quickly visualize pricing trends; the dollar values are provided in 5 column 1470. The price increments can be changed by clicking on the "Price map scale" button 1422, and then choosing \$1, \$5, or \$10 from the pop-up menu (not shown here, but see, e.g., FIG. 60, which has the same menu displayed under the "Price map scale" button). There are stocks whose daily fluctuations vary widely. The price map scale permits the user to visualize wider price ranges by selecting price scale increments of \$1, \$5, and \$10. Such a 10 selection re-scales the vertical axis of the price map to allow visualization of the entire day's trade range. As the price map's vertical scale changes, the dollar increments change but the vertical scale divisions do not change. The chart view of the stock will either expand or contract based on the scale values selected. The short vertical bars 1460 show the market spread at the time indicated. In the national market, these bars are black; in the after-hours 15 market, they are blue. The short marks 1465 on the bars 1460 indicate the last trade price for the stock. In both the national market and the after-hours market, the marks 1465 are green. The "Order Bk." button 1412 allows the user to change the display from the chart display to the order book display (see FIG. 6). The "Most active" button 1416 allows the user to change the display from the chart display to the most active display (see FIG. 57A).

20 FIG. 15 depicts a function button display 530. The Shrink button 1520 is used to shrink the display.

FIG. 16 illustrates four different views available through expanding and shrinking the master trade screen. If the initial view is the full master trade screen 1610, the user clicks the

“Shrink” button 1520 to change the view to just the summary stock display and the function buttons shown in 1620. If the “Shrink” button 1520 is clicked again, the view shrinks to just the function buttons 1630. If “Shrink” is clicked again, the view is changed to the fully compressed view 1640. Finally, if “Shrink” is clicked one last time, the application displays 5 the message box: “Do you want to close your connection to [the system of the preferred embodiment]?” If the user selects “Yes,” the application closes the display and only the icon of the subject system is displayed. **FIG. 28** provides a flow diagram depicting the operation of the Shrink button 1520.

Returning to **FIG. 15**, the “Expand” button 1510 is used to expand the display. See 10 **FIG. 29** for a detailed description of how the expand button operates. The “Peel off display” function button 1515 is used for displaying several order books at once (see **FIG. 27**). The “Alerts” function button 1525 is used to set alerts on stocks of interest (see **FIGS. 30 & 52**). The “Open orders” function button 1535 is used to display the user’s list of open orders (see **FIG. 34**). The Positions and P&L (“Pos./P&L”) function button 1540 is used to display the 15 user’s positions and profit and loss information (see **FIG. 35**). The “Account history” function button 1545 is used to call up a display of the user’s account history (see **FIG. 36**).

The application software used in the practice of the invention is described in greater detail in conjunction with **FIGS. 17-40** below.

**FIG. 17** is a flow diagram illustrating software which enables a user to obtain and 20 install the graphical user interface (GUI) component of the preferred embodiment and open a new account. Initially, at step 1710, a user desiring to use the system of the preferred embodiment accesses the Internet website of the system administrator. The user views and/or downloads, at step 1715, the software and hardware requirement list from the administrator’s

website. At step 1720 the user determines if he has the proper software and hardware are present on his computer. If not, at step 1725, the user obtains upgrade information and URLs (Internet addresses) where the proper software can be obtained. Alternatively, the user is provided with the necessary software by the system administrator, such software being

5 obtained from an application server database maintained by the system administrator.

Once the proper software and hardware are present, at step 1730, the user downloads the full application software from the application server. The user then opens the application on his personal computer. See step 1735. Once the application is opened, the application establishes a connection over the Internet, and at step 1740, the user attempts to open an

10 account. At step 1750 the user receives data from an account opening database and help database of the system, and enters the sequence required for opening an account on the system. If the account is successfully opened, the full application is active for trading based on the balances in the account and other limitations to be determined by the system administrator. See step 1755. If the account is not successfully opened, the user is connected

15 to the system's account opening database and help database for assistance.

**FIG. 18** is a flow diagram illustrating software for logging on to the system and visualizing the stock market in the alternate embodiment described in connection **FIG. 3**. Initially, at step 1805, the user opens the application (Java application, in the preferred embodiment). The Java application then, at step 1810, attempts to initiate a connection to a

20 replica server. At step 1815, if the connection to the replica server is confirmed, the user inputs, at step 1820, the user's name and password at the log-on screen (see **FIG. 53**) of the application. If the connection to the replica server is not confirmed, at step 1825, a dialog

box is displayed by the application to the user describing a possible cause of the problem and a possible way to resolve it.

At step 1820 after the connection has been successfully established and the user's name and password have been entered, the application transmits, at step 1830, the user's 5 name and password to the replica database. The database on the replica server then checks, at step 1835, the accuracy of the name and password. If there is no match, the user, at step 1850, again receives a dialog box with an indication of the problem and a possible solution. If there is a match, the replica server notifies the root server that the user has successfully 10 logged on. At step 1840 the changes to the replica database are provided to the master database.

Once the user's logon is complete, the application receives, at step 1860, the user's filtered information based on user's preferences saved on the replica server. In an alternate embodiment, the application receives unfiltered or partially filtered information from the replica database, and the application does further filtering once the information has been 15 received. The application then, at step 1865, displays (depending on the user's display preferences) a master trade screen showing all critical trade data, based on the user's preferences. As the user's position in his stocks changes, the replica database and server, at step 1870, automatically updates the user's display in real-time. Each time a change occurs in the information held on the replica server, the master database is updated accordingly at step 20 1840.

**FIG. 19** is a flow diagram illustrating software of the preferred embodiment which enables a user to view critical trading and account information on one screen so as to facilitates fast and accurate trading of stocks. Initially, at step 1910, the user opens a master trade screen. Preferably, the master trade screen is that shown in **FIG. 5**. The master trade

screen, at step 1915, displays all information necessary for the user to make a decision about the status of his account, the status of the stocks of interest, and the status of the markets in general. Illustratively, data displayed on the master trade screen includes a trade ticket, real-time quotes, the user's positions, open orders, an order book display, financial summary, 5 account balances, news and information related to stocks of interest, and other items illustrated in connection with FIG. 5 and discussed herein. After viewing the master trade screen, the user selects at step 1920 a trend chart view to review the trend of the stock of interest in either the national market or the after-hours market.

At step 1925, the user may decide to look at another stock and, at step 1930, he selects 10 the stock of interest from the stock summary display. The application transmits the user's request to the replica server and database, which transmits information on the selected stock back to the application executing on the user's workstation. The application, at step 1935, displays the new stock in the order book view and, at step 1940, populates the trade ticket (see FIGS. 5 & 11) with information regarding the selected stock. At step 1945, the 15 application displays news for the selected stock in the news display (see FIGS. 5 & 10). In addition, the application highlights, at step 1950, the user's position in the selected stock in the positions display. At step 1955, the application indicates the alert status for the selected stock, and, at step 1960, it shows selected help functions in the background. At step 1965, the application shows profit or loss if the user sells his position in the selected stock at the 20 current level shown in the order book display (see FIGS. 5 & 6).

**FIG. 20** is a flow diagram illustrating software of the preferred embodiment which enables a user to visualize the detailed market in stocks. For the purposes of illustration, we assume that, at step 2010, the user desires to see the status of stock not shown in the current

master default view. The user then, at step 2015, views basic information on stocks by selecting alternate summary screen views using the stock summary display of **FIG. 12**. The alternate views are (1) in the stocks the user holds in the system ("Your stks."); (2) stocks that are among the most active in the current market ("WIT"); and (3) stocks that the user wishes 5 to monitor ("Watch stks."). The user switches from one view to another by clicking the appropriate button (1210, 1220, or 1230) at the left of the summary screen display (see **FIG. 12**). At step 2020, if the stock in which the user is interested is displayed in the summary display, the user selects, at step 2030, the stock from the summary display (by clicking on its symbol) to obtain more detailed information regarding the stock. If the stock is not shown in 10 the summary display, the user selects, at step 2025, the "Quick quote" function to select the stock of interest (see **FIG. 51**). The user can also enter stock into the stock summary display by typing into or over stock in the wish list. Once the stock has been selected, the application transmits to the replica server the fact that the user is requesting information on a different stock. In response, the replica server provides data on the new stock to the user's application 15 and keeps this information updated in real-time. Next, at step 2035, the application populates the master trade screen with detailed data on the selected stock. At step 2040, the user reviews the status and price of the stock on the master trade screen and, at step 2045, determines the best available price based on the data provided on the master trade screen.

**FIG. 21** is a flow diagram illustrating software of the preferred embodiment which 20 enables a user to execute a buy order for a stock. We assume that the user makes a decision to purchase shares of stock, and at step 2115, the application retrieves and displays summary information including (1) the stocks held by the user; (2) stocks that are among the most active in the current market; and (3) stocks that the user wishes to monitor. If the stock in

which the user is interested is displayed as part of this summary (see 2120). at step 2130, the user indicates to the application that he/she desires to view further details regarding the stock listed on the summary display. If the stock is not listed in the summary, at step 2125, the user may select the “Quick quote” function to display data regarding the stock of interest, or by 5 typing into or over stock in the wish list. The user can change the order in which stocks are listed in the stock summary display by using the preference screen to position the stocks by industry, position, size, or P&L.

After the user has selected the stock, the application transmits this data to the replica server. In response, the replica server sends data on the new stock back to the application 10 running on the user’s workstation and then updates this data in real-time. At step 2135, the application populates the master trade screen with the relevant information on the selected stock. At step 2140, the user inputs additional information into the trade ticket (see FIGS. 5 & 11). Then, if the user is still satisfied with the transaction, at step 2145, he/she selects the “Order Verification” function, and in response, at step 2150, the application checks for errors 15 in the data entered into the trade ticket. If there are errors (step 2155), then at step 2160, the application retrieves and displays appropriate error messages and, in some instances, suggestions on how to correct the error. Once the application determines that the ticket is error-free, at step 2165, the application displays the “Final Verification” screen (see FIG. 56). At this point, the display flashes, to emphasize the significance of this operation. Thereafter, 20 the user makes the final decision whether to send the buy order, and at step 2170, selects the “Send order” option to facilitate the purchase. The request is then transmitted to the broker/dealer system used by the user.

At step 2180, the application displays the order transmission status in the message line display. The application, at step 2185, illustrates the buy order highlighted in yellow in the

open positions display on the master trade screen. If the order has been filled on a national market, the broker/dealer's computer communicates this to the user's workstation. If the order is accepted in the user-to-user market, the buyer's acceptance is transmitted to the root server via replica servers. The root server updates the root database and transmits that

5 information back to the replica servers and databases. Thus the order is always visible as it moves through the execution process; the status of the order is always known. The application moves, at step 2190, the buy order into the user's "Positions and Balances" display. At step 2195, the application displays the account information reflecting this transaction in the master trade screen.

10 **FIG. 22** is a flow diagram illustrating software which enables a user to execute a sell order of a stock using the preferred embodiment. We assume that, initially, the user makes the decision to sell shares of a stock that he owns (see 2210). Next, at step 2215, the user selects the stock from the positions display 550 and selects the "Sell" button 810. Once the stock has been selected, the application transmits to the broker/dealer's computer the fact  
15 that the user is requesting information on that stock and, in response, receives data on the stock. The application then, at step 2220, populates the master trade screen and the trade ticket (see **FIGS. 5 & 11**) with available information on the stock. At step 2225, the user fills in additional information into the trade ticket and checks the final total cost of the trade.

At step 2230, the user selects "Order Verification" function and in response, the  
20 application checks, at step 2235, for errors in the data that have been entered into the trade ticket. If at step 2240, an error has been found, the application displays at step 3250, an error message along with possible ways for correcting an error. Once the ticket is error-free, the application displays at step 2255, a flashing final verification screen. The user then makes the final decision whether to send the sell order, and at step 2260, selects the Send order

function. The application then transmits the user's order to the broker/dealer system used by the user. At step 2265, the application assigns a reference number to the order and displays the order transmission status in three steps in the message line display. Then, at step 2270, the application shows the order highlighted in yellow in the Open orders display of the master 5 trade screen. After the order has been filled and confirmed, the application moves, at step 3275, the sell order into the user's Positions and Balances display and displays updates to the user's account files and new balances in the master trade screen (see step 2280).

**FIG. 23** is a flow diagram illustrating software which enables a user to execute a change order in a stock purchase order already entered into the system. We assume that, 10 initially, at step 2310, the user makes a decision to change one or more variables of an open stock order (list 545). At step 2315, the user selects the stocks from the open orders display (see **FIGS. 5 & 7**) and selects the Change button 710. In response, the application, at step 2320, populates the master trade screen and trade ticket (see **FIGS. 5 & 11**) with information from the "Open Order" screen selection. The user, at step 2325, changes information in the 15 trade ticket, checks the final total cost of the trade, and 2330 selects "Order Verification."

In response, at step 2335, the application checks for errors in the data that has been entered into the trade ticket, and displays the effect the changed order will have on the user's account. If an error has been found, the application, at step 2340, displays an error message, and possibly options for correcting the error. If the ticket is error-free, the application 20 displays, at step 2345, a flashing final Verification screen, and in response the user may make the change order, via the "Send order" command. The application then transmits the change order to the broker/dealer's computer.

If the original order has already been executed, the user is alerted to that fact by a message indicated that the change order has been rejected. At step 2350, the application displays the order transmission status in the message line display. At step 2355, the application shows the changes in the open orders display (see FIGS. 5 & 7) of the master trade screen highlighted in yellow. When the changes are confirmed, at step 2360, the application removes the yellow highlight in the open positions display. The system then, at step 2365, updates the display of the account data and balances accordingly on the master trade screen.

FIG. 24 is a flow diagram illustrating software which enables a user to execute a cancel order for a stock purchase that has already been entered. First, the user makes the decision, at step 2410, to cancel an order in the open orders file. The user then, at step 2415, selects the stock from the open orders display (see FIGS. 5 & 7) and selects the "Cancel" button 730. The application, at step 2420, populates the master trade screen and trade ticket (see FIGS. 5 & 11) with information from the open order screen. At step 2425, the user changes information in the trade ticket, checks the final total cost of the trade, and, at step 2430, selects "Order Verification."

After the "Order Verification" function has been selected by the user, the application checks, at step 2435, for errors in the data that has been entered into the trade ticket. If an error has been found, the application displays an errors message, at step 2440, and possibly a suggestion how to correct it. Once the ticket is error-free, the application displays, at step 2445, a flashing final Verification screen. The user then makes the final decision to send the Cancel order, and selects the "Send order" function. The application transmits the user's cancel order information to the computer of the broker/dealer.

If the original order has already been executed, the user is alerted to the fact that the cancel order is rejected. At step 2450, the application displays the order transmission status in the message line display. At step 2455, the application then shows Cancel, highlighted in yellow, in the open orders list (see FIGS. 5 & 7) of the master trade screen. When the 5 cancellation is confirmed, at step 2460, the application removes the yellow highlight in the open positions display. At step 2465, the system displays updates to the user's account files balances on the master trade screen.

**FIG. 25** is a flow diagram illustrating software which enables a user to negotiate for a better price in a stock during the user-to-user trading of the preferred embodiment. At step 10 2510, the user makes the decision to negotiate for a better price than the best bid and offer shown in the order book (see FIGS. 5 & 6). At step 2515, the user double clicks on the quantity column in the order book at a price different from the best bid and offer. The application requests the appropriate information from the replica server, and, at step 2520, displays in the negotiations screen (see FIG. 42) a list of traders who have orders in the 15 market at the selected price. Then, at step 2525, the user selects the name of a trader to negotiate with directly. The application, at step 2530, shows the negotiation ticket populated with the selected trader's data. At step 2535, the user then inputs an offer to the selected trader and, at step 2540, selects the "Order Verification" screen and related costs summary. The user then, at step 2545, reviews the verification screen and selects Send Order. At step 20 2550, the application displays the order transmission status in the message line display and, at step 2555, shows "Negotiation", highlighted in yellow, in the open negotiations display on the master trade screen.

At step 2560, the user's offer to the selected trader is transmitted by the application to the replica server, which transmits the offer to the root server. The offer is then transmitted through the appropriate chain of replica servers until it is received by the other party's workstation where it is displayed on the negotiation screen in highlight. The other party, at 5 step 2565, reviews the offer. The other party is provided with an option to accept, reject, or make a counteroffer. At step 2570, the response of the other party is transmitted to the user who made the offer. This process repeats until negotiations are completed or canceled (see step 2575). When the order execution is confirmed, the application, at step 2580, removes the yellow highlight in the open positions display and moves the order to the account history 10 file. The application then, at step 2585, displays the update to the user's account and balances in the user's master trade screen.

**FIG. 26** is a flow diagram illustrating software and the computer operation of the context-sensitive "Help" function of the preferred embodiment. If, the user encounters a situation that requires additional information (see 2610), at step 2615, the user selects the 15 "Help" button from the upper-right-hand corner of the display for which help is needed. The application, at step 2620, populates the "help" display with a three-level help for the area selected by the user. The user, at step 3625, views an index of headings relating to the problem and selects the desired topic. If necessary, the application, at step 2630, shows the next level of detail in the "Help" display. The user then, at step 2635, views detailed problem 20 resolution text and diagrams, and requests additional detail if necessary. If more details are needed, at step 2640, the application displays the third level of detail, along with an Internet link to a help system. The user, at step 2645, selects the link to the server help functions and the system connects to the on-line help server and displays more data relating to the problem.

Then, at step 2650, the user selects whether to use a link regarding the help topic or telephone support. If telephone support is selected, the system, at step 2655, connects the user to the help desk by Internet telephone or other voice connection and the user interacts with the help desk to resolve the problem (step 2660). If necessary, the system help desk, at step 2665, fills 5 out a job order and files it with the on-line help administrator for review. At step 2670, the on-line administrator determines the priority of the reported problem and then, at step 2675, generates an addendum to the on-line help function and posts it in the "Help" system files. If the problem is critical, at step 2680, the on-line help administrator posts an e-mail message to users on the system. In any case, the on-line help administrator posts, at step 2685, an e-mail 10 message to the user group forum.

**FIG. 27** is a flow diagram illustrating software which enables a user to view several instances of order books on one screen. Initially, at step 2710, the user decides to view several stock order books on the display at once. The user, at step 2715, views basic information on the stocks by selecting alternate summary screen views. The views include: 15 (1) the stocks held by the user; (2) stocks that are among the most active in the current market; and (3) stocks that the user would like to monitor. If a security of interest is shown in the summary display (see step 2720), the user selects, at step 2740, the security from the stock summary display (see FIGS. 5 & 13) to view the stock information in detail. If the security is not shown in the summary display, the user selects, at step 2725, the "Quick quote" function 20 and related options. The user's request is transmitted by the application to the replica server, which transmits the relevant stock information back to the user's application. This new information is kept updated in real-time by the replica server. The application then, at step 2730, shows the quote on the selected stock, and the user, at step 2735, selects desired display

options. When the stock has been selected, the application populates 2745 the master trade screen with detailed data on the stock. If desired, the user, at step 2750, selects the stock symbol in the stock summary display, and, at step 3755, selects the Peel off display function from the function button display (see FIG. 15).

5 At step 2760, the application generates a new order book view for the selected stock. That view is shown outside the master trade screen. The user, at step 2765, repeats the operations 2720 through 2760 for stocks the user wishes to see at one time. The user then, at step 2770, drags order book views into the desired organization on the screen (see FIG. 57C). In response, the application, at step 2775, displays the status of stock in the order book

10 configuration in real-time. To trade from any order book view, the user, at step 2780, selects the "trade" function. In response, the application, at step 2785, pulls up the master trade screen and populates the trade ticket with selected stock data (see FIGS. 5 & 11).

**FIG. 28** is a flow diagram illustrating software for compressing the view of the master trade screen of the GUI of the preferred embodiment. **FIG. 15** illustrates the effect of these

15 steps on the master trade screen. Initially, the application shows the master trade screen at full size, see 2810. At step 2815, the user selects the "Shrink" function from the master trade screen and in response, at step 2820, the application shrinks the display to show only the stock summary display and function buttons. If the user selects the Shrink function again (step 2825), the application, at step 2830, shrinks the display to show only function buttons.

20 If, at step 2835, the user selects the Shrink function again, the application, at step 2840, shrinks the display to show the fully compressed view. If the user selects Shrink from the most compressed view (see 2845), the application, at step 3850, displays the message box: "Do you want to close your connection [to the system of the preferred embodiment]?" If the

user, at step 2855, selects "Yes", the application closes the display and only the icon of the preferred system is displayed.

**FIG. 29** is a flow diagram illustrating software for expanding the display of the GUI of the preferred embodiment to obtain the full view of the master trade screen. Illustratively, 5 the application initially shows the most compressed view of the GUI of the preferred embodiment (see 2910). The user, at step 2915, selects the "Expand" function 1650 and the application, at step 2920, expands the display to show only the function buttons and then at step 2925, the user selects the "Expand" function again and the application, at step 2930, expands the display to show the stock summary display and function buttons 1620. If the 10 user, at step 2935, selects the "Expand" function once again, the application, at step 2940, expands the display to show the full master trade screen 1610.

**FIG. 30** is a flow diagram illustrating software of the preferred embodiment for alerting a user to movements in stock price according to user-defined preferences. Initially, the user makes a decision, at step 3010, to have the system monitor stock movements and 15 alert him/her accordingly. At step 3015, the user views basic information for different stocks by selecting alternate summary screen views, which include: (1) the stocks held in the system by the user; (2) the stocks that are among the most active in the current market; and (3) stocks that the user would like to monitor.

If the stock of interest is shown in the summary display (see 3020), the user selects, at 20 step 3030, the stock from the stock summary display (see **FIGS. 5 & 12**). If the stock of interest is not shown in the summary display, the user selects, at step 3025, the "Quick quote" function and related options. The user's request is transmitted by the application to the replica server and it is kept updated in real-time by the replica server. Once data about the

stock has been displayed, the user selects, at step 3035, the "Alerts function," and the application, at step 3040, displays the "Alerts set-up function" (see FIG. 52).

At step 3045, the user chooses the criteria for the alert function and display options, and the application transmits 3050 the user's alert preferences to the replica server, which 5 updates the user's profile on the replica database. The replica server then 3055 checks for movement in stock price, based on the user's selected criteria, in the stock of interest. The replica server automatically monitors price data and if an alert condition occurs, sends an alert (along with relevant stock information) to the user's application when appropriate (see 3060). In response, the application, at step 3065, displays the alerts in the stock summary display and 10 may provide an audible alert. At step 3070, the user receives the alert(s) and selects the stock from the stock summary display for detailed view in the order book. The user may cancel the alerts or revise the alert criteria (see 3075) and the system continues to monitor the selected stocks based on the user's criteria (see 3080).

**FIG. 31** is a flow diagram illustrating software of the preferred embodiment that 15 enables a user to visualize the general status of stocks and related positions via an analog graphic display. Initially, the user desires a quick overview of the status of several stocks (see step 3110) and, at step 3115, selects the Summary view function. In response, the application, at step 3120, populates the master trade screen with a summary view of the selected stocks. The user adds stocks to the view (step 3125) by clicking on the appropriate 20 symbol in the stock summary display (see FIGS. 5 & 12) and the application (at step 3130) adds summary views to the master trade screen based on the user's selections.

If the user wants to trade one of these stocks, at step 3135, the user makes a selection from the summary display that directs the application to enter active trade mode. As a result,

the application, at step 3140, automatically populates the trade ticket (see FIGS. 5 & 11) and prepares the master trade screen with data on the selected stock.

**FIG. 32** is a flow diagram illustrating software of the preferred embodiment that enables a user to visualize the best price in a security from an analog graphic display. The 5 user seeks (step 3210) the best price for the same security that is selling on different markets (see FIG. 39) and, at step 3215, selects the symbol for this security from the stock summary display (see FIGS. 5 & 12) and the Show price options function. The application transmits the user's request to the replica server which, in response, transmits information to the application concerning the price of the stock in different markets. The replica server 10 continues to transmit that information in real-time until it receives notice from the application to terminate the transmission.

The application, at step 3220, populates the master trade screen with a summary view showing the price in all available markets for the security. At step 3225, the user views the display showing the prices for the security in the available markets, and selects the preferred 15 market and, at step 3230, the application displays details of the selected market and automatically populates the master trade screen with relevant data (after requesting and receiving that data from the replica server). If a trade is desired, the user, at step 3235, makes a selection from the summary display that directs the application to enter the active trade mode and, at step 3240, it automatically populates the trade ticket (see FIGS. 5 & 11) and 20 prepares the master trade screen with data on the selected stock.

**FIG. 33** is a flow diagram illustrating the operation of the news gathering and distribution system of the preferred embodiment. Initially, at step 3310, the user defines his interest based on watch list stocks and portfolio holdings active in his account. The user then,

at step 3315, sets "News alerts" preferences for the watch list and active account stocks. At step 3325, the system stores the user's preferences on the replica server database for the watch list and the user's active positions. At step 3320, that stored information is also transmitted to the user account preferences database on the replica server. The same 5 information is transmitted to the news server, at step 3375, which monitors stocks based on user preferences from the watch list and active account information. Alerts are sent from the news server, at step 3375, back to the replica database and server for distribution to the end user display at step 3320. The news server, at step 3375, also passes news and alerts, at step 3390 to outside services. Data out may include: news of the system's most active stocks; 10 news of other stocks; news forecasts; real-time quotes; an order book applet; a chart applet; a most active applet; a news applet; or other specific news on the overall market on the system.

At step 3395, the news desk of the subject system performs three general functions.

First, at step 3370, it receives highlighted news alerts based on filters from the news server and the system's most active updates, received from the trade match system via step 3385.

15 These filters are applied to news feeds received via step 3380, from outside vendors. Second, the news desk prepares alerts messages, at step 3365, for posting in the "News out" button on the order book of the end user display. This information is transmitted, at step 3375, to the user via the news server and the replica database and server, at step 3320. Third, the news desk, at step 3360, prepares stories and highlights based on the sort functions in the news 20 display. Again, this information is transmitted to the end user at step 3375 via the news server and the replica database and server at step 3320. The system then tracks, at step 3330, the user-defined list of stocks for news. The application displays, at step 3335, news alerts to the user according to a user-defined display configuration. The "News out" function is shown

in the stock summary display (see FIGS. 5 & 12) or in the order book. At step 3340, the user then views a "News alert" and calls the stock to the order book display (see FIGS. 5 & 6). At step 3345, the application populates the "News" display (see FIGS. 5 & 10) with relevant news on the selected stock. At step 3350, the user chooses to see more detail or sorts the 5 news by category. At step 3355, the application then populates the "News" display with additional relevant data.

**FIG. 34** is a flow diagram illustrating software which enables a user to view the status of his open orders in a stock. Initially, at step 3410, the user seeks to review his open orders in all stocks active in his account. At step 3415, the user selects the open orders function 10 from the function buttons display (see FIGS. 5 & 15). At step 3420, the application displays the entire list of open orders in the open orders (see display in FIGS. 5 & 7) display of the master trade screen. At step 3425, the user views the display showing the open orders. The user selects a stock, at step 3430, from the stock summary display (see FIGS. 5 & 12) and selects the "Open orders" function. The application then, at step 3435, displays only open 15 orders for the selected stock in the open orders display. The user selects, at step 3440, the desired open order from the list. The application highlights the order for actions by the user, such actions including cancel, change, or replace. At step 3445, the user selects an operation (e.g., cancel, change, or delete) from the open orders display. The application automatically populates the trade ticket, at step 3450 (see FIGS. 5 & 11), with information from the open 20 orders display on the selected stock. At step 3455, the user executes the desired function as requested in the trade ticket. To hide open orders, the user selects, at step 3460, the Open orders function from the function button display (function bar). The application then removes

the open orders display and removes the indication from the open orders function, at step 3465.

**FIG. 35** is a flow diagram illustrating software which enables a user to view the status of positions and profit and loss information (P&L). Initially, at step 3510, to review his 5 positions and P&L in the stocks held in his account, the user selects the "Positions and P&L" button 1540 from the function bar, at step 3515. The application displays, at step 3520, the user's entire list of positions and P&L and related details in positions and P&L displays, 550, in the master trade screen. At step 3525, the user views the display showing the user's positions and P&L in the display, organized by the sort function. At step 3530, the user 10 selects a stock from the stock summary display (see FIGS. 5 & 12) and selects the "Positions and P&L" function. The application then requests updated information from the broker/dealer server on the user's positions and P&L in the selected stock. In an alternate embodiment, the application calculates the user's P&L based on the updated stock price and user account information stored on the user's computer. The stock price information is kept 15 updated in real-time by the replica server. At step 3535, the application displays only positions and P&L for the selected stock in the positions and P&L display. At step 3540, the user selects the desired stock position directly from the "Positions and P&L" display. The application highlights the stock for actions (e.g., buy, or sell) by the user. The user selects, at step 3545, an operation from the positions and P&L display (e.g., buy, or sell). The 20 application automatically populates the trade ticket, at step 3550 (see FIGS. 5 & 11), with information from the positions and P&L display. The user executes the desired function, at step 3555, according to the trade ticket functions. To hide the positions and P&L display, the user selects, at step 3560, the "Positions and P&L" function from the function bar. At step

3565, the application removes the positions and P&L display and removes the indication from the positions and P&L button.

**FIG. 36** is a flow diagram illustrating software which enables a user to view account history. Assuming that, initially, at step 3610, the user seeks to review his account history, at 5 step 3615, the user then selects the “Account History” function 1545 from the function bar. The application displays, at step 3620, the entire list of the user’s account history and related details in a display in the master trade screen. The user views the display showing his account history at step 3625, organized by the sort function. At step 3630, the user selects a stock from the stock summary display (see FIGS. 5 & 12) and selects the “Account History” 10 function. At step 3635, the application displays only account history for the selected stock in the Account History display. The user selects the desired account activity item, at step 3640, directly from the Account History display. The application highlights the item for actions (e.g., more details, print) by the user. To hide the account history display, the user selects the “Account History” button from the function bar. The application then, at step 3650, removes 15 the “Account History” display and removes the indication from the “Account History” button.

**FIG. 37** is a flow diagram illustrating software which enables a user to view the status of his account balances. Initially, at step 3710, the user seeks to review his account balances. The user then, at step 3715, selects the “Accounts” account balances function 1550 from the function bar. The application displays, at step 3720, the entire list of account balances and 20 related details in the “Accounts” display of the master trade screen. The user views, at step 3725, the display showing his account balances in the display, organized by the sort function. The user, at step 3730, selects a stock from the stock summary display (see FIGS. 5 & 12) and selects the “Accounts” function 1550. The application, at step 3735, displays only

account balances for the selected stock in the Account Balances display. The user then selects, at step 3740, the desired account activity from the Account Balances display. The application highlights the item for actions (e.g., more details, print) by the user. To hide the account balances, the user selects, at step 3745, the "Accounts" function 1550 from the 5 function bar. At step 3750, the application removes the Account Balances display and removes the indication from the Account Balances function.

FIG. 38 is a flow diagram illustrating software which enables a user to receive and view e-mail messages for account activity functions. Initially, at step 3810, the user undertakes an operation that results in activity in his account. The replica server, at step 10 3815, detects said activity and generates a structured e-mail message. At step 3820, the replica server sends the structured e-mail message to the user's application in two parts, a summary stream and a detailed stream. The application receives and displays at step 3825, the summary e-mail message in the status display in the stock summary display (see FIGS. 5 & 12), in color-coded text. If the user does not have the full e-mail display open, the user 15 selects the "E-mail" function, at step 3845, from the function bar. At step 3850, the application displays the full e-mail display in the master trade screen. To hide the e-mail display, the user selects the "E-mail" function, at step 3855, from the function bar. The application removes the e-mail display, at step 3860, and removes the indication from the "Email" function.

20 The preferred embodiment also enables the user to use the stock summary display fields to call only e-mail on desired stocks. Initially, at step 3875, the user selects a stock from the stock summary display and then selects the "E-mail" function. The application transmits the user's preference to the replica server, which updates the user's preference file,

and transmits e-mail messages for the selected stock back to the user's application. The application, at step 3880, displays e-mail for the selected stock in the "E-mail" display. At step 3885, the user selects the desired e-mail item directly from the "E-mail" display. The application highlights the selected item for actions (e.g., more details, print) by the user.

5       **FIG. 39** is a flow diagram illustrating software which enables a user to view and select the best price for the same stock sold in several markets. Initially, at step 3910, the user makes the decision to seek the best price for the same stock that is trading in several different markets. At step 3915, the user selects the "Best Price" function. The application shows the simplified trade screen at step 3920. The user inputs the symbol for the stock, at 10 step 3925, the quantity, and whether he wants a buy price or a sell price. The application transmits the user's request to the replica server. The replica server searches its database which contains stock market information updated in real-time. The replica server then transmits information for that stock to the user's application, which, at step 3930, displays information on alternate markets and displays quotes in analog price maps (see **FIG. 57**) or in 15 alphanumeric format. At step 3935, the user views alternate prices for the same stock and selects a market. At step 3940, the application populates the trade ticket (see **FIGS. 5 & 11**) with selected market, symbol, price, and quantity information. The user reviews the verification screen, at step 3945, and selects Send order. The application transmits the user's order to the broker/dealer server, which in turn transmits the order to the requested market.

20 In the meantime, at step 3950, the application displays the order transmission status in the message line display. When execution is confirmed, at step 3955, the broker/dealer server notifies the user's application. The application removes the yellow highlight in the open positions display and moves the order to the account history file. The broker/dealer server

updates the user's account files, at step 3960, and calculates new balances. The application updates new data in the master trade screen displays.

**FIG. 40** is a flow diagram illustrating software which enables a user to view the market in a stock by accessing the visual quote (see **FIGS. 5 & 6**) and price map display.

- 5 Initially, at step 4010, the user selects a stock from the stock summary display (see **FIGS. 5 & 12**) or by entering the stock symbol in the order book display (see **FIGS. 5 & 6**). The application transmits the user's request to the replica server, which sends the requested information back to the user's application. This information is kept updated in real-time by the replica server. At step 4015, the application displays the order book visual quote, which
- 10 includes the following information: (1) prices in descending order; (2) quantities at a given price level; (3) the user's orders at a price level; (4) buy side best price; (5) sell side best price; (6) the bid-offer spread; (7) an alphanumeric quote for the stock; (8) all-or-none orders at price levels; (9) a chart function button; (10) a most active button; (11) the news out indicator; (12) the market open/closed indicator; (13) the symbol entry field; and (14) the
- 15 compress spread function. If the price map display (see **FIG. 13**) is selected, the display includes: (1) a low-resolution price scale; (2) a closing price in the national market(s); (3) the current spread in the after-hours market; (4) the last sale in the after-hours market; (5) the user's average price on shares held; (6) the user's current P&L; (7) the user's current total position; (8) the user's numeric price average; and (9) the Buy and Sell buttons.
- 20 At step 4020, the user selects the trend chart view (see **FIG. 14**) to review the trend of the stock in the national and after-hours markets. The user makes the decision, at step 4025, to look at another stock in the detailed book view or chart view, and selects the stock from the stock summary display. The application transmits the user's request to the replica server, which transmits the requested information back to the user's application. This new

information is kept updated in real-time by the replica server. The application displays the new stock in the order book view, at step 4030, and populates the trade ticket (see FIGS. 5 & 11). At step 4035, the application displays news for the selected stock in the stock display.

At step 4040, the application highlights the user's position in the selected stock in the 5 positions display. The application shows the alert status on the selected stock at step 4045.

The application also, at step 4050, shows the selected help function in the background for the selected stock or security type. The application shows profit or loss, at step 4055, if the user sells his position in the selected stock at the current level shown in the order book display (see FIGS. 5 & 6).

10 As noted, the invention may be used in negotiations between two users relating to the sale of a security. Display screens useful in such negotiations are set forth in FIG. 41-48.

**FIG. 41** is the "Set defaults" display for the user-to-user negotiation mechanism of the preferred embodiment. This display allows the user to set parameters to screen out unreasonable (according the user's standards) counteroffers. The user inputs his desired 15 parameters in the boxes 4105, 4110, 4115, and 4120 under questions 1 through 4. In the box 4105 under line 1, the user inputs the price above and below his limit price within which he is willing to negotiate, in increments of sixteenths of a dollar. For example, if his limit price is \$50 per share, and he is willing negotiate at prices between \$49.75 and \$50.25 per share (depending on whether the order is a buy or sell order), he would enter 0.25 into the box 4105 20 under question 1. The user enters the number of shares above or below his stated order size that he is willing to negotiate in the box 4110 under question 2. For example, if the user is offering to sell 100 shares, but would consider selling 80-120 shares, he would enter 20 in the box 4110 under question 2. If zero is entered, the order is an all-or-none order. This

negotiation floor and ceiling is expressed alternatively in percentages; see FIG. 42. The user enters his default preferred negotiation time in the box 4115 under question 3. For example, if the user would prefer to have 10 minutes to respond to any buy offers, he would enter "10 min." in box 4115. The user enters the lower time limit he will accept in the box 4120 under question 4. For example, if the user would not consider any offers which require him to respond in less than 2 minutes, he would enter "2 min." in box 4120.

The user sets the defaults for the incremental changes caused by clicking the adjustment buttons in the negotiations screen (see FIG. 42) by inputting the desired increment sizes into boxes 4125, 4130, and 4135 under questions 5, 6, and 7. The user inputs the desired size incremental change to be caused by clicking the size change buttons ("Qty Up" and "Qty Down") (see FIG. 42) into the box 4125 under question 5. This size change is shown here in terms of number of shares; alternatively, the size change can be a percentage (see FIG. 42). The user inputs the desired time incremental change to be caused by clicking the time change buttons ("Time Up" and "Time Down") (see FIG. 42) into the box 4130 under question 6. The user inputs the desired price incremental change to be caused by clicking the price change buttons ("Price UP" and "Price Down") (see FIG. 42) into the box 4135 under question 7.

FIG. 42 is a negotiations screen. Users of the system can undertake direct, real-time on-line negotiations with other traders on the system. The purpose of the negotiations system is to permit traders to attempt to better the price of buying or selling stock as compared against the best bid and offer shown in the order book display. The negotiations screen has three main components: the "Traders at a price level" screen 4200, the "Out-going negotiations" screen 4205, and the "In-coming negotiations" screen 4210. The traders listed

in the screen 4200 are called up by double-clicking on a quantity away from the best bid and offer shown in the order book display (see FIG. 25). The price corresponding to the quantity double-clicked in the order book display is the price listed in the "Price" column 4260 of the negotiations display traders screen 4200. In the example shown in FIG. 42, that price is 52.5.

- 5 The numbers 4215 in parentheses adjacent to the best price amounts are the numbers entered by the traders designating the price above/below their limit price at which they are willing to negotiate. In the example shown, Fred D. is willing to negotiate within 3/16 (0.1875) of 52.5. Analogously, the numbers in the Qty column represent the number of shares each seller is offering for sale, and the numbers 4220 in parentheses adjacent to the share numbers have
- 10 been entered by the sellers to designate the variation from the stated number of shares with respect to which they are willing to negotiate. Thus Fred D. is offering to sell 200 shares, but he might be willing to sell between 160 and 240 shares. The numbers in the "Time" column have been entered by the sellers, and designate their preferred negotiation times. The numbers 4225 in parentheses designate the lower time limit each trader will accept. The numbers in
- 15 the "Activity" column 4230 represent the trader's level of trading activity in the selected stock. The numbers are in the set {0, 1, 2, 3, 4}, where 0 means that the trader has never negotiated a trade in that stock and 4 means that the trader is among the most active traders in that stock. The P/L-BBO column 4284 displays the user's loss or gain as compared to the current best bid or ask for the stock being negotiated. The price buttons 4240, the size
- 20 buttons 4245, and the time buttons 4250 are located near the bottom of the negotiations display. Default incremental changes are set in the "Set defaults" screen (see FIG. 41) (the "Set defaults" screen is called up by clicking the "Set defaults" button 4235). Incorporated in the negotiation interface is a "Speed Function"; if the user holds down the Shift key while

selecting a trader, the application populates the trade window with the lowest acceptable values for the selected trader. This feature reduces typing and starts the negotiations at the lower limits. For example, the minimum values for Larry 22 are 52 (52.5 - 0.5), 500 (1000 - 50% of 1000), and 2 minutes (the lowest time limit he will accept). To initiate negotiations

5 with a given trader, the user double-clicks on the trader line 4255 in the trader screen 4200. In the example shown, the selected trader is Larry 22. The "Best offer" button 4265 is used to arrange the order of the listed buyers or sellers according to the ones which most closely satisfy criteria set by the user. Available parameters include: widest price variation counteroffer; most time allowed; and highest activity level. A "not-to-exceed" field can be

10 selected to limit order size above or below a certain amount. The button 4270 adjacent to the "Best offer" button displays a price 1/16 lower, in this case, from the listed price (52.5). The user can click button 4270 to have the application display parties selling at 52.438. This improves the trading efficiency of the user by not requiring him to return to the order book display and click on a different price. The three buttons to the right of button 4270 work the

15 same way. The "Sort" button 4275 allows the user to specify the parameters according to which the traders are listed; for example, according to price, quantity, or time. The "FIND" bar 4214 at the bottom of the negotiations screen allows a user to modify the negotiations screen display without having to return to the order book display. Clicking on the "Action" button 4216 creates a pop-up menu with the choices "Buy" and "Sell." Clicking the "Stock"

20 button 4222 creates a pop-up menu listing recently checked stocks, along with a box into which the user can input the symbol of a stock not displayed. Entering or selecting a stock pulls up a display of trades in that stock. The first price level displayed is that of one price increment away from the best bid and offer (BBO) as shown in the order book. The user can select price increments above or below the first increment by selection of the price increment

buttons. Clicking the "Trader" button 4232 creates a pop-up menu with a box into which the user can input the name of a trader of interest. The application will display the selected trader's current limit order or outstanding negotiations in all stocks in which the trader has limit orders posted. Clicking the "Trader list" button 4242 creates a pop-up "hot list" of 5 traders. This hot list is created by the user using the "Add" button 4252 and the "Delete" button 4262. Clicking the "Add" button 4252 after the user has typed in the name of a trader using the "Trader" button 4232 adds that trader's name to the "Trader list." Also, if a user has highlighted a trader's name in the "Traders at a price level" display 4200, that user's name is added to the "Trader list" when the "Add" button 4252 is clicked. Clicking the 10 "Delete" button 4262 when a trader's name in the "Trader list" removes that trader's name from the Trader list. When the user highlights a selection of trader names in the Trader list and hits "Enter," the "Traders at a price level" screen 4200 displays the selected traders and the selected stock, along with those traders' outstanding offers in that stock.

When a user enters a limit order by using the trade ticket, he has the option (by 15 checking the "Negotiations allowed" box on the trade ticket display – see FIG. 11) to allow negotiations or not. If the user checks the "Negotiations allowed" box, the application will allow the user's order to appear in the negotiations screen. If the "Negotiations allowed" box is not checked, the user's order will not be displayed in the negotiations screen.

The "Broadcast" button 4212 permits a user to send the same offer to more than one 20 trader. The first trader to respond is the one with whom the user negotiates. The user selects the traders to whom the offer will be sent by highlighting their names in the "Traders at a price level" screen 4200.

**FIG. 43** shows how the negotiation screen 4200 fits into the master trade screen (see **FIG. 5**). The user requests the negotiation display by selecting a negotiation button 1530. In response, the application displays at 4200 the negotiation screen as discussed in connection with **FIG. 42**.

5       **FIG. 44** illustrates how a user adjusts the values in his counteroffer. Once Larry 22's trader line 4255 has been selected and double-clicked, a copy 4415 of his trader line appears in the Out-going Negotiations screen 4205. The activity level of the trader is displayed, along with the identity 4425 of the stock to which the activity level refer. This helps the user keep clear which stock he is making offers and counteroffers on, and is especially helpful when

10 several offers on different stocks have been made. The user in the example illustrated in **FIG. 44** is RON-3, and the "counter-line" below Larry 22's line 4415 is highlighted in yellow and automatically pre-filled with the user's name and related data. If the Speed Function is used (by holding down the Shift key when line 4255 is double-clicked), the counter-line is filled with Larry 22's minimum values.

15       The size change buttons 4240 are used to adjust the value 4410 displayed in the user's counter-line 4405. The size buttons 4245 are used to adjust the number of shares 4420 displayed in the user's counter-line 4405. The time buttons 4250 are used to adjust the time values 4430 displayed in the user's counter-line 4405. The numbers shown in parentheses in the user's counter-line are the default values set in the "Set defaults" display (see **FIG. 41**).

20       The user can adjust these values by direct typing over them in the counter-line 4405.

**FIG. 45** illustrates how the application displays the potential effect of a user's counteroffer. Once the price, quantity, and time parameters are set for the user's counteroffer, the application displays the cost 4520 of the user's proposed transaction (if the transaction is

a purchase; if the transaction is a sale, the price to be received for the shares would be displayed – see FIG. 47). The number 93.50 **4725** in the P/L column is the difference between what the user would pay at the best ask price displayed on the system and what the user would pay at the price per share in that negotiations row. In the example shown, the best 5 ask price per share is assumed to be 52.187. Thus, if the user buys 500 shares at 52, he will **4725** pay \$93.50 less than he would have paid at the best bid price.

**FIG. 46** illustrates how an offering trader responds to a user's counteroffer. The trader in the example, Larry 22, has made a counteroffer **4610** ("Counter 2") to the user's Counter 1 offer. Larry 22 has responded with an offer to sell at 52.25 **4615** instead of 52, to 10 sell 800 shares **4620** instead of the 500 the user offered to buy, and has specified a response time **4625** of 1 minute. The application displays Larry 22's level of trading activity **4640**, and displays the amount **4630** the user would have to pay to accept Larry 22's counteroffer.

**FIG. 47** illustrates how a user makes an offer to sell and then receives buy counteroffers. In the example, the user is RON-3. The user has made a sell offer **4710**, which is displayed in the In-coming negotiations screen **4210**. The user is offering to sell 15 2000 shares of the stock whose symbol is "T" **4750**, at a price per share of 152.5, and would prefer to have 10 minutes to consider counteroffers. Further, the user is only willing to consider counteroffers of 152 per share or above, of at least 1000 shares, and demands at least 2 minutes to consider such offers. If the user's offer to sell is accepted as is, the user would 20 sell his 2000 shares for \$305,000. The number 1,567 **4725** in the P/L column is the difference between what the user would receive at the best bid price displayed on the system and what the user would receive at the price per share in that negotiations row. In the example shown, the best bid price per share is assumed to be 153.284. Thus, if the user sells

his 2000 shares at 152.5, he will **4725** receive \$1,567.00 less than he would have received at the best bid price. The counteroffer **4720** has been made by Fred 4U. He is offering to buy 1000 shares at 152 per share and requests a response in 2 minutes. Note that these are the minimum values of the user's offer, so Fred 4U may have used the speed function to initiate 5 his counteroffer. The application has calculated the dollar amount of Fred 4U's counteroffer and displayed that value in the "Total \$" column.

**FIG. 48** illustrates how the preferred embodiment enables a user to conduct more than one in-coming negotiation and more than one out-going negotiation simultaneously. In the example shown, the user, RON-3, has an out-going negotiation **4810** with Larry 22 on shares 10 of IBM stock. The user also has an out-going negotiation **4820** with Frank5 on shares of DELL stock. At the same time, the user has two in-coming negotiations. The first is a negotiation **4830** with Fred 4U for shares of T stock. The second in-coming negotiation **4840** is with David44 for shares of YHOO stock. Although it would be obvious to one of ordinary skill in the art to modify the preferred embodiment to enable a user to conduct more than 4 15 negotiations at once, the preferred embodiment is restricted to displaying only two incoming and two outgoing negotiations so as to maximize the trading efficiency of the user.

**FIGS. 48A and 48B** show a flow diagram illustrating how the system enables one user to negotiate with another user. Step **4832** involves a seller activating the application and viewing the order book for a particular stock. This done the same as for a standard buy or sell 20 order, by following steps 310 through 338 as described in **FIG. 3**. At step **4842**, the seller wishes to sell 1000 shares of IBM at \$50.25 per share. The user fills in the trade ticket **510** with the relevant information, and checks the box for "Negotiations allowed" **1175**. The seller then the send order button (the "Verification" button **1110**). The final verification

screen is displayed at step 4844, and the seller selects the "Send" order button. At step 4846 the seller's order is transmitted to the seller's broker/dealer server/database, which checks that seller has at least 1000 shares of IBM available to sell. The broker/dealer server/database sends the approved sell order (with a user account ID and the size, price, stock, and side 5 (whether buy or sell) of the order) to the root server 50, which attaches a system ID to the order, said system ID containing sufficient information to enable the system to match the ID to the seller, the order, and the seller's broker/dealer. At step 4852, the root server accepts the seller's order and updates the IBM order book in the master database to reflect the seller's order. The updated order book is transmitted at step 4854 to the replica servers 30, which 10 update the replica databases. At step 4856, each replica server/database with connected users which subscribe to the IBM order book sends seller's sell offer (along with the system ID of the seller's offer), along with any other updated order book information, to the IBM subscribers' applications. At step 4858, the applications which receive the seller's sell offer display that offer in the context of the IBM order book display. At step 4862, a buyer sees 15 from the IBM order book display that the best ask price for IBM is 50 3/16, but there is only one offer at that price, the offer is to sell only 200 shares, and the buyer wishes to buy 1000 shares of IBM. At step 4864, the buyer sees in the order book display that there are more than 1000 shares for sale at 50.25. The sell orders at 50.25 are aggregated in the order book display, and the seller's order is included in that aggregation. At step 4868, the buyer decides 20 to try to negotiate, so he clicks on the price \$50.25 in the order book display. The negotiations screen 4200 is displayed at step 4872, with sell offers of IBM stock at \$50.25 displayed, including the seller's offer to sell 100 shares of IBM at \$50.25. At step 4874, the buyer clicks on the seller's offer that is displayed in the negotiations screen. The seller's offer is then re-displayed in the out-going negotiations display 4205 in line 4280. At step

4876 the buyer enters a counteroffer to seller's offer into the line 4285 below the seller's offer as displayed in line 4280, offering to buy 1000 shares of IBM stock at 50 3/16. The buyer then selects the "Send" button at step 4882 to send his counteroffer to seller. At step 4882 the application sends the buyer's counteroffer to the buyer's broker/dealer server/database, 5 which then checks the amount of uncommitted funds in the buyer's account and sends the buyer's account limit information back to the application. The application at step 4884 checks to see whether the buyer's counteroffer is permissibly under the limits on the buyer's account. At step 4886, if the buyer's counteroffer is determined by the application to be acceptable, the application transmits the buyer's counteroffer to the replica server, along with 10 the system ID of the seller's offer and the broker/dealer account ID for buyer. The replica server at step 4888 transmits the buyer's counteroffer, seller's offer's system ID, and buyer's broker/dealer account ID to the root server, which then updates the IBM order book in the master database and assigns a system ID to the buyer's counteroffer. The updated order book information, including the buyer's counteroffer to seller and the system ID for seller's offer, 15 is then transmitted at step 4890 to the replica servers, which update the replica databases. The replica server connected to seller transmits buyer's counteroffer to seller's application, along with the system IDs of the seller's offer and the buyer's counteroffer. At step 4892, the seller's application displays the buyer's counteroffer as an incoming negotiation and the seller accepts the buyer's offer by selecting the "Accept" button (see FIG. 47). If the buyer's 20 counteroffer has affected the prior account approval of seller's offer by the seller's broker/dealer (say, e.g., that buyer had offered to buy 2000 shares and seller accepted), seller's acceptance would be first be routed to seller's broker/dealer for approval before the application would transmit the acceptance to the replica server. At step 4894, the seller's acceptance order, including the system IDs of the seller's original offer and the buyer's

counteroffer, is transmitted by the seller's application to the replica server 30, which transmits the order to the root server 50. At step 4896, the root server updates the master database, including the IBM order book; uses the system IDs of the buyer's counteroffer and the seller's original sell offer to notify the seller's broker/dealer server and the buyer's broker/dealer server of the nature of the approved transaction; and transmits updated order book information to the replica servers. Step 4998 is the final step of closing the transaction, and is the same as steps 394 and 398 of FIG. 3. In an alternate embodiment of the negotiations system and method, all buy sell orders and all offers and counteroffers are routed through and approved by the broker/dealer(s) in a manner analogous to that described in FIG. 10 3.

Several additional displays that are useful in the practice of the invention are shown in FIG. 49-62.

FIG. 49 is a "most viewed stocks" display. The most viewed stocks display is displayed in the same part of the master trade screen as the order book display, the multiple 15 pricing map display, and the chart of stock activity display (see also FIG. 57B). The bars 4910 represent the number of participants in the system who have recently viewed the listed stocks. As a default, the stocks are listed in descending order of the number of shares traded in the most recent period. The user can enter the symbol into the box 4920 of a stock of interest that is not displayed in order to have that stock displayed at the top of the Most 20 viewed stocks display. The advantage of the most viewed stocks display is that it enables a user to determine what stocks other users have been checking. This in turn aids the user to determine, for example, what stocks he needs to be searching for news reports on.

**FIG. 50** is a fully compressed view of the GUI of the application (see **FIG. 16**). A frequent problem with current on-line trading systems is the need for the user to open up an entire browser to view the status of stocks of interest. Such a process wastes time and requires the user to rearrange his screen work space or cover other work while viewing the 5 status of stocks of interest. **FIG. 50** shows the fully compressed stock display that can be displayed on the user's screen at all times while not obstructing the user's workspace. The component is a real-time display that shows the current status of user-defined stock portfolios, indexes, or any other electronically delivered status indicators. The "On Line" indicator **5005** shows whether or not the user is connected to the system. If the "Help" button 10 **5010** is selected, context-sensitive help data is displayed. Selection of a stock followed by selection of the "Trade" button **5015** opens the master trade screen to the fully expanded position with the selected stock shown in the order book and the trade ticket populated. Selecting the "Quote" button **5020** calls up the "Quick Quote" screen (see **FIG. 51**). The "News" button **5025** flashes if news is out on any stocks on which alerts have been set. The 15 "Messages" button **5030** flashes when the user has e-mail messages, and clicking the button opens the e-mail window. Clicking the "Expand" button **5035** opens the stock summary display (see **FIG. 16**) and closes the compressed display. Clicking the "Close" button **5040** closes the compressed display and closes the application. Rows **5050** and **5060** display three stock data fields each. The user can type a stock symbol in a data field and receive current 20 status information on that stock. The fields can contain stocks, mutual funds, bonds, any security, index, or related variable. If the user has set visual alarms for a stock displayed in a data field, the background of that field will highlight based on user-defined criteria.

**FIG. 51** shows a “Quick Quote” display. The default display **5100** is called up when the user selects the ‘Quick Quote’ button from the function button display (see, e.g., **FIG. 5**). The user types the symbol for the desired stock in the box **5114** and selects the “Show quote” button **5112** to have data on the stock displayed in the screen **5120**. If the user selects the 5 “Trade ticket” button **5126**, the trade ticket **510** is pre-filled with the appropriate data on the selected stock, including the user’s positions if applicable. If the user selects the “Add to wish lst.” button **5128**, the stock is added the user’s wish (watch) list for further monitoring.

If the user selects the “New Quote” button **5122**, an empty quote screen **5100** is displayed. If the user selects the “Show News” button **5124**, the news window is opened and news on the 10 selected stock is displayed. If the user does not know the correct symbol for the stock, he can enter the name of the company into the box **5116**, and then click on the “Find symbol” button **5118**. If the company name is not a perfect match with one listed in the master database of the system, the screen **5140** is displayed, with the closest matches **5148** to what the user has typed in displayed. The scroll bar **5150** allows the user to scroll up and down the list of 15 companies. The “New Search” button **5144** calls up the screen **5100**. If a company name is selected from the list, the “Show quote” button **5146** calls up the screen **5120**, with the stock data for the selected company displayed.

**FIG. 52** shows a “Stock alert set up” display, which allows a user to track the movement of selected stocks. The user calls the stock alert set up display by selecting the 20 “Alerts” button **1525** in the function button display (see **FIG. 15**). If a stock is first selected from the stock summary display (see **FIG. 12**) and then the “Alerts” button is selected, the “Stock alerts set up” screen is pre-filled with information from the user’s positions and the current status of the stock in the market. If the stock symbol is not pre-filled into the box

5210, the user inputs the symbol for the stock of interest. Once the symbol is input, the current price 5212 of the stock is automatically filled in by the application. The user inputs the price at which he wants to be alerted in the box 5215. The user selects the method by which he wishes to be alerted in the column 5220, by checking the appropriate box 5222.

5 Available options include: pager, email, fax, and phone. The user enters his pager number in the box 5230; his email address in the box 5232; his fax number in the box 5234; and his phone number in the box 5236. If the user selects "Type of Alerts" 5240 and then "visual alerts," the user can have the application highlight the stock in the stock summary display according to various criteria: direction of movement, rate of movement, profit/loss against the

10 user's current positions. The visual alert works on several of the displays where the stock symbol occurs. The "Other criteria" button 5260 calls up a list of alert criteria options for tracking the status of the stock of interest. The "New alert" button 5242 clears the screen for the input of a new stock symbol or new alert parameters. The "Clear alert" button 5244 cancels an alert that has already been set. The "OK" button 5250 records the alert that has

15 been set and removes the "Stock alert set up" screen.

**FIG. 53** shows a connection status indication display. Current on-line trading systems do not provide users with a clear, concise status indication of the initial connection process as they log on to the trading system. The connection status display 5300 of the preferred embodiment shows users each step of the connection process. The first connection status

20 indicator 5320 "Connecting to [the trading system]," is indicated by the button 5325 being lit while the connection to the trading system is being established. When the connection is established, the button 5335 opposite the "Connection established" label 5330 is lit. When the application is initialized, the button 5345 opposite the "Application initialized" label 5340

is lit. Once the application is initialized, the message **5350** "Initialization complete!" is either displayed (if not displayed already) or highlighted (if already displayed). The user's name and password input areas do not appear until the connection to the network is established.

The user then enters his user name in the box **5365** opposite the "Enter your user name" label

5 **5360**. The user also enters his user password in the box **5375** opposite the "Enter your password" label **5370**. The user then clicks the "OK" button **5380** to submit his login information to the system and to close the connection status screen. If the user encounters problems connecting, he can access the context-sensitive help function, including detailed problem FAQs and a troubleshooting index, by clicking the "HELP" button **5390**.

10 **FIG. 54** shows a compressed spread display (see **FIG. 6**). The compressed spread screen is called up by clicking the "Compress spread" button **656**. The "Compress spread" button **656** compresses the spread, and orders included in the spread, down to one line. The horizontal bar **5460** representing the compressed spread is red. The compressed view shows the last bid, best offer, and a single line spread shown on a red background with white  
15 characters. The quantity shown in the red bar is the total price of the spread in one line. "All or none" orders **5440** and **5450** contained within the spread are shown as total amounts. The magnitude **5430** of the spread is displayed numerically in the center of the bar **5460**. The magnitude of the spread is displayed graphically by the vertical bar **5410** on the right side of the display.

20 **FIG. 55** shows an email display. The email display is displayed within the web browser of the application (see **FIG. 10**). The "Show news" button **5520** is clicked to return to the news display of the browser. The "Show Email" button **5510** is clicked to go from the news display to the email display.

**FIG. 56** shows a "Final Verification" screen. The dark area **5610** flashes to alert the user to the significance of completing this step. A real-time quotation **5670** for the selected stock is displayed. The user's buying power **5640** is displayed, along with **5650** what his balance will be if the trade is executed and what the corresponding commission **5630** will be.

5 The total cost **5620** of the trade is displayed at the bottom of the screen in color-coded characters.

**FIG. 57** shows an analog graphic display for viewing the price of a stock on several markets at one time (see **FIG. 39**). The price scale **5710** is at the left. The numbers 1 **5720**, 2 **5730**, and 3 **5740** represent markets 1, 2, and 3.

10 **FIG. 57A** is a "Most Active Stocks" display. The most active stocks in both the Day market (NM) and the Nite Market (AHM) are shown. The scroll bar **5782** allows the user to scroll up and down the list of most active stocks.

**FIG. 57B** shows how the most viewed stocks display shown in **FIG. 49** is displayed in the same screen as the Order book display, chart display, and most active stocks display.

15 **FIG. 57C** shows a multi-screen view created by the "Peel off display" function (see **FIG. 27**).

In an alternate embodiment of the disclosed system, instead of being in a stand-alone application, the GUI is displayed within an Internet web browser, and the application is a Java applet. In the applet version, no software remains resident on the user's computer when the 20 system is not being accessed. The functionality of the various components of the GUI remains essentially the same, except for routine modifications (for example, some functionality may be scaled back to reduce the size and download time of the applet). In each display, the scalable price map display (see **FIG. 14**) is on the right-hand side.

**FIG. 58** shows an applet version of the real-time chart of stock activity display shown in **FIG. 15**.

**FIG. 59** shows an applet version of the most active stocks display shown in **FIG. 57A**.

**5 FIG. 60** shows an applet version of the most viewed stocks display shown in **FIG. 57B**.

**FIG. 61** shows an applet version of the order book display shown in **FIG. 6**.

**FIG. 62** shows an applet version of the news display shown in **FIG. 10**.

In a further alternate embodiment of the disclosed system, either the entire master  
10 trade screen display (see **FIG. 5**), or individual displays (e.g., the order book display, shown  
in **FIG. 6**, or the displays shown in **FIGS. 58 - 62**), are presented in static versions on the  
Internet. These static versions of the primary market displays are presented in the form of  
“graphic snapshots” in a standard format such as GIF. These snapshots are transmitted and  
displayed in standard HTML pages without the need to call Java applets or to utilize other  
15 secondary implementation strategies. This allows the displays to be widely distributed over  
the Internet without requiring users to have the latest updated browsers. It further allows for  
very wide distribution of the market indications to a broad audience such as would be  
available at a portal or other high-traffic website.

Other embodiments of the disclosed system will be clear to those skilled in the art.

**20** The present invention is not to be limited in scope by the specific embodiments  
described herein. Indeed, modifications of the invention in addition to those described herein  
will become apparent to those skilled in the art from the foregoing description and  
accompanying figures. Doubtless, numerous other embodiments can be conceived that would

not depart from the teaching of the present invention, which scope is defined by the following claims.

## CLAIMS

What is claimed is:

1. A computer system supporting user-to-user computer trading of securities by users communicating from user devices over a first network with the system, comprising:
  - 5 a root server supporting a master database comprising stored data representing offers to buy and offers to sell securities provided by the users of the system, the server includes software that updates the master database based on the offers to buy and the offers to sell securities provided by the users; and
  - replica servers communicating with the root server over a second network and
- 10 with computer devices of the users over the first network wherein each of the replica servers includes:
  - a) essentially a copy of the master database;
  - b) software for communicating data to a user device, including software for communicating in essentially real-time updates to the offers to buy and the offers to sell
- 15 stored for a security without receiving a request from the user for each new update;
  - c) software for receiving data representing a user's offer to buy or sell a security from the user device;
  - d) software for transmitting the data representing the user's offer to the root server; and
- 20 e) software for updating the master database in response to the received user's offer.

2. The system of claim 1 further comprising software for updating essentially a copy of the master database at one of the replica servers.

3. The system of claim 2 wherein the software for updating the copy comprises software for receiving the offer from the root server and updating the database on the basis of the user's offer.

5 4. The system of claim 1 further comprising a load balancer which monitors the replica servers and connects a new user to one of the replicated servers such that there is a substantial uniform load on the replica servers.

5. The system of claim 1 further comprising software for providing  
10 communication between the root server and a broker/dealer system of the user.

6. The system of claim 1 wherein the servers are arranged hierarchically so that the root server is connected to a plurality of intermediate servers at a first level of hierarchy and each of the intermediate servers at the first level of hierarchy are connected to the  
15 plurality of replica servers at a second level of hierarchy.

7. A method for facilitating delivery of real-time information relating to a security to a user communicating from a user workstation with a computer system comprising:

20 receiving updated security information at a root server;  
updating a master database of the root-server in accordance with the updated security information;  
communicating the updated security information to a plurality of replica servers;

updating essentially copies of the master database stored at the plurality of the replica servers in accordance with the updated security information; and  
transmitting from one of the replica servers to the workstation of the user information for one or more securities requested by the workstation of the user including the 5 updated security information.

8. The method of claim 7 wherein the user workstation communicates with one of the replica servers over the Internet.

10 9. The method of claim 8 further comprising establishing a communication between the user workstation and a load balancer of the system

10. A method of trading securities on a user-to-user trading system comprising:  
(a) electrically receiving over a network a request from a first user to view  
15 offers to purchase and offers to sell a first security;  
(b) electronically transmitting over the network to the first user data representing the offers to purchase and the offers to sell the first securities made by some of the users of the system;  
(c) electronically updating the data representing the offers to purchase and  
20 the offers to sell the first security in response to a new offer to purchase or a new offer to sell the first security received over the network, and transmitting the updated data to the first user, without receiving a request for updated data from the first user; and  
(d) electronically receiving an acceptance of one of the offers to sell from the first user and in, response, electronically updating the data representing the offers to sell.

11. The method of claim 10 further comprising storing the data representing the offers to sell and the offers to purchase at a plurality of replica servers connected by a network to the root server.

5 12. The method of claim 11 wherein the step (c) of electronically updating further comprises:

- (a) electronically receiving the new offer from a second user at a replica server to which the second user is connected;
- (b) electronically providing the new offer from the replica server to the 10 root server;
- (c) electronically updating the master database stored at the root server based on the new offer;
- (d) electronically providing the new offer to the replica servers; and
- (e) updating databases stored at the replica servers based on the new offer.

15

13. The method of claim 10 further including receiving a request from a second user to negotiate purchase price of the first securities offered by the third user and electronically establishing a negotiation between the second and the third users.

20 14. A computer program for providing a computer interface which facilitates security trading by a user communicating over a network with at least one computer system, the interface comprising simultaneously displayed non-overlapping computer displays which include: (a) a computer display of user's current security positions, (b) a computer display of an open order list of the user, (c) a computer display of a trade ticket, (d) a computer display

of a watch list of securities wherein a price of at least one of the securities displayed in the watch list is automatically updated without the user requesting each update.

15. The program of claim 14 further providing a computer display of offers to buy 5 and offers to sell the securities.

16. A computer method of providing a computer interface which facilitates electronic security trading by a user communicating over a network with at least one computer system, comprising: (a) graphically displaying bid, ask, and spread for a security in 10 active trading in a first market; and (b) simultaneously graphically displaying a trade for the security in a second market in such a manner that a value of the trade in the second market can be readily visually compared with the bid, ask, and spread in the first market.

17. The method of claim 16 further comprising displaying an alphanumeric 15 summary of the user's average price of the security and the user's current profit or loss for the security based on the current price of the security.

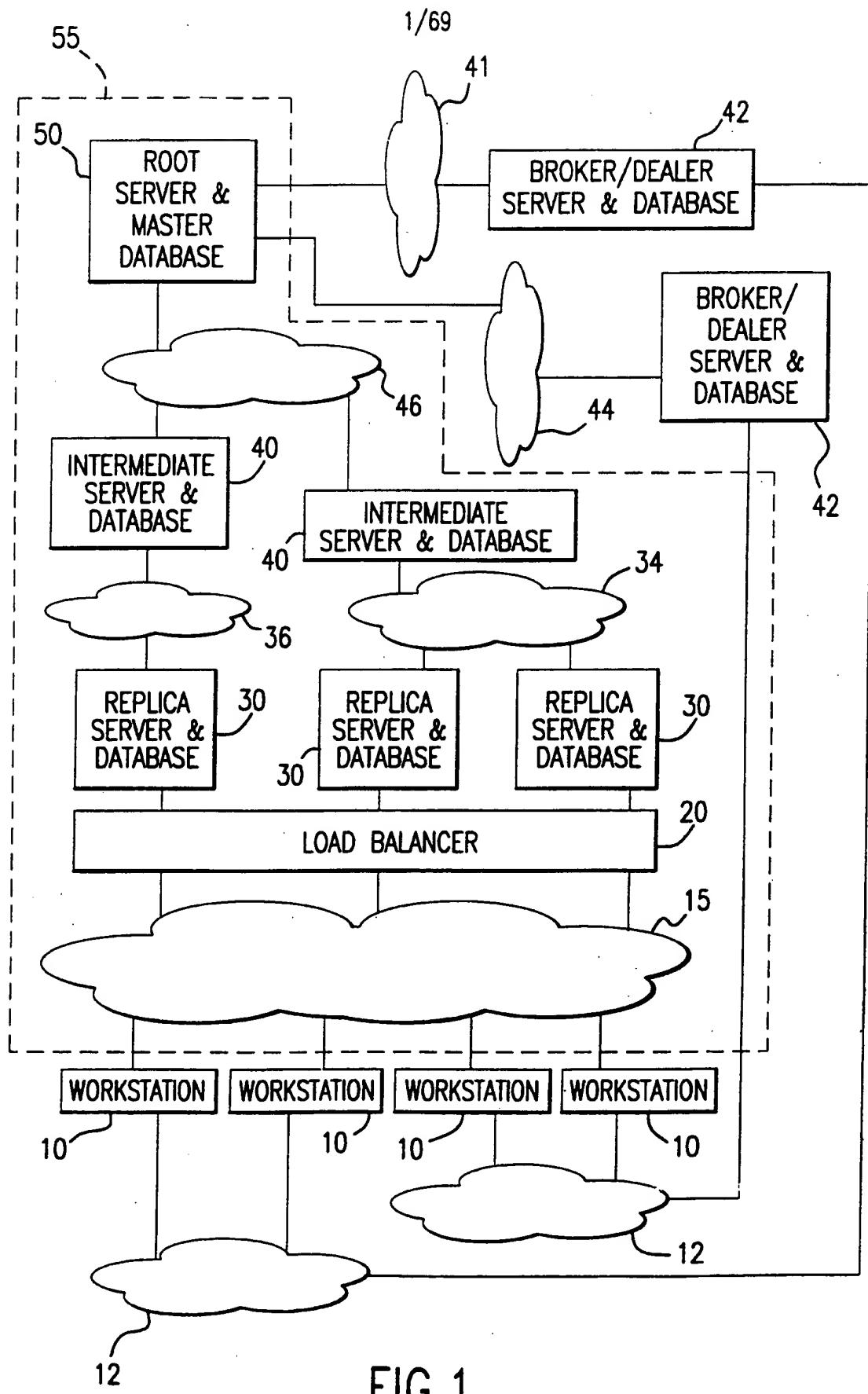
18. A method of presenting information about market conditions to a user at a user 20 workstation networked to at least one server comprising:  
displaying numerical information representing detailed trading data for a security in a first market;  
displaying a summary graphical display representing summary trading information for the security in the first market; and

displaying graphical information on the summary display representing position of the security in a second market.

19. The method of claim 18 further comprising graphically displaying data 5 representing user's holdings of the security on the summary display.

20. The method of claim 19 further comprising displaying user's P&L in the security.

10 21. A method of claim 18 further comprising updating the trading data for the security in real-time without a user requesting updates.



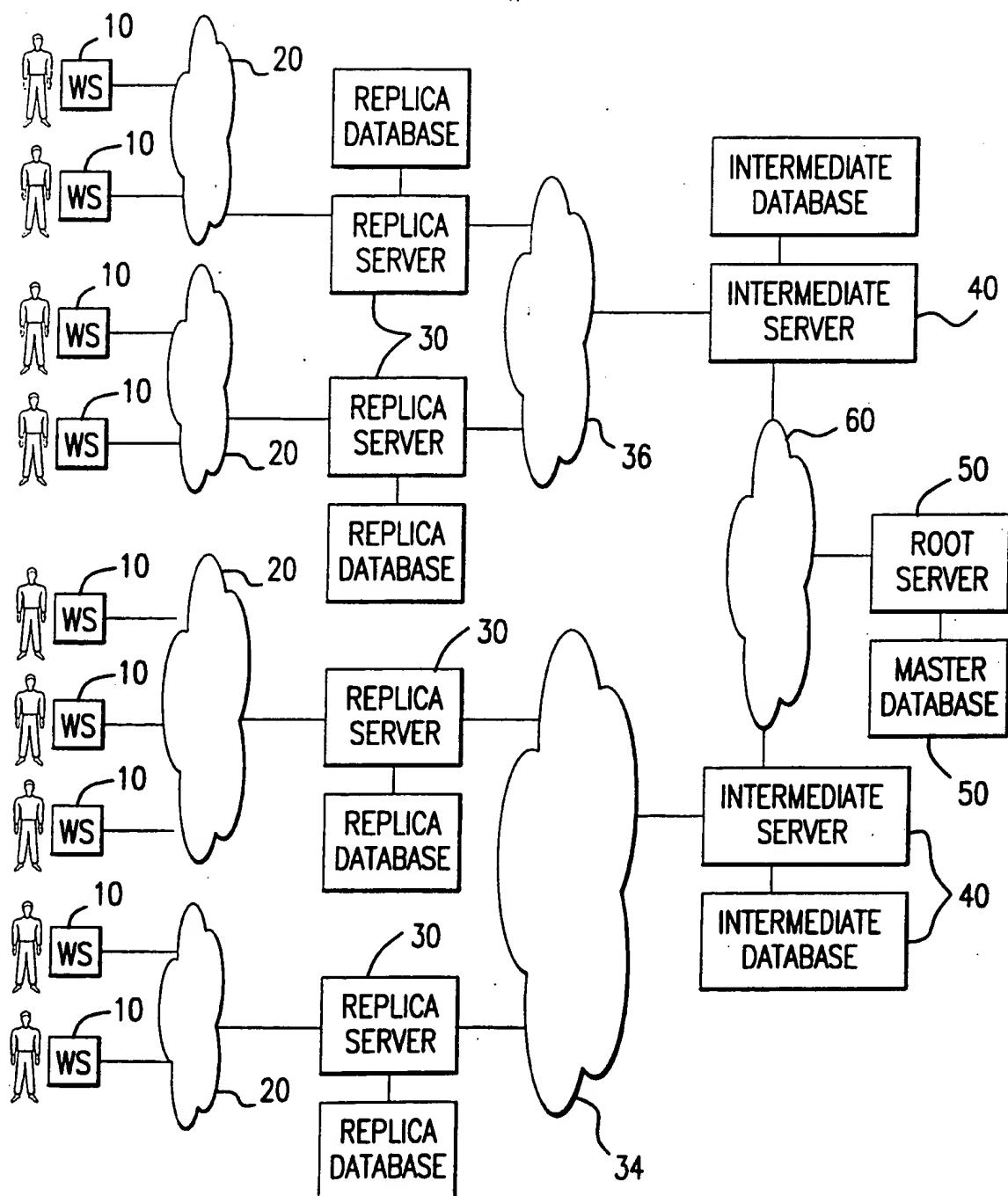
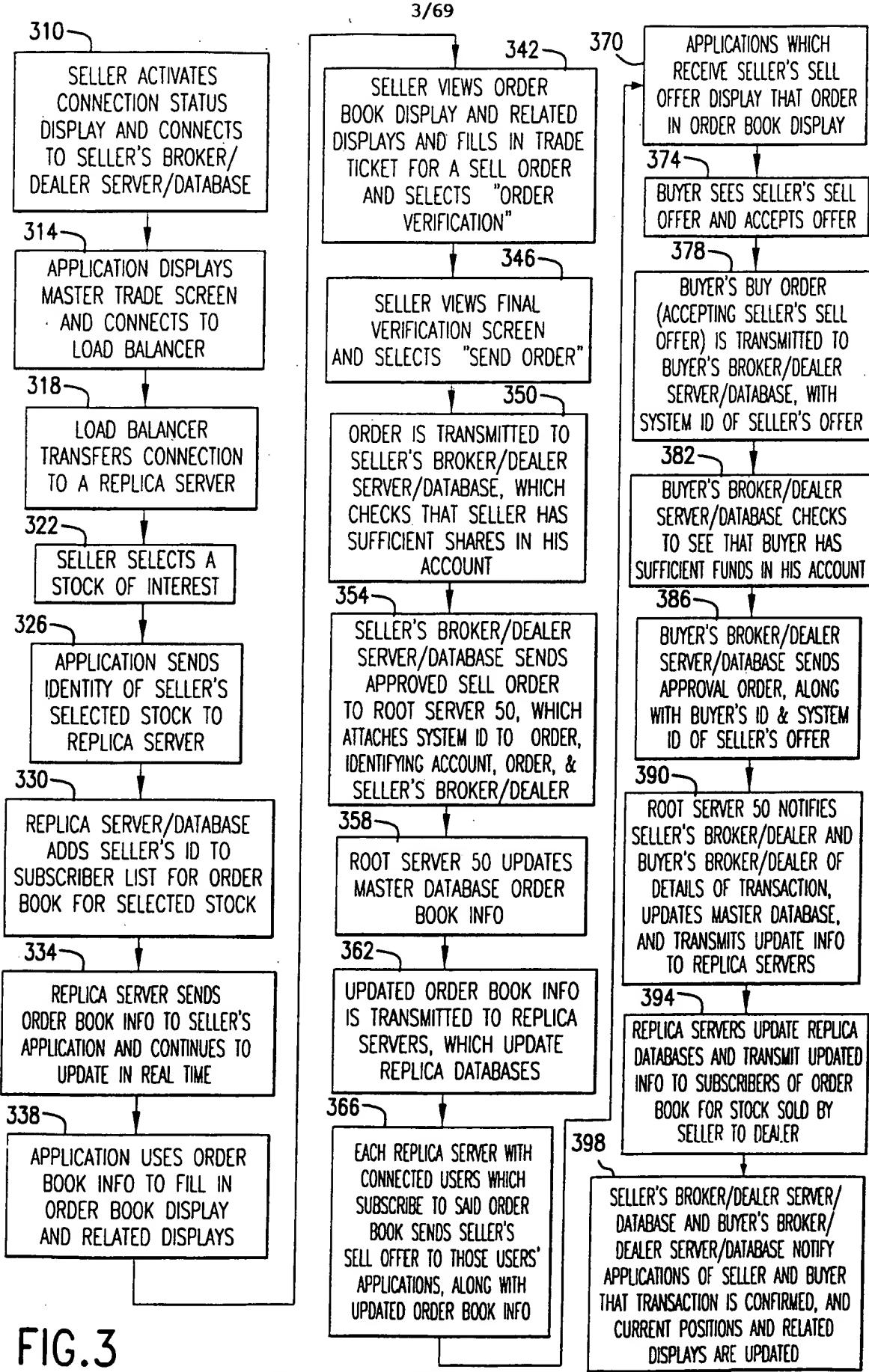


FIG.2



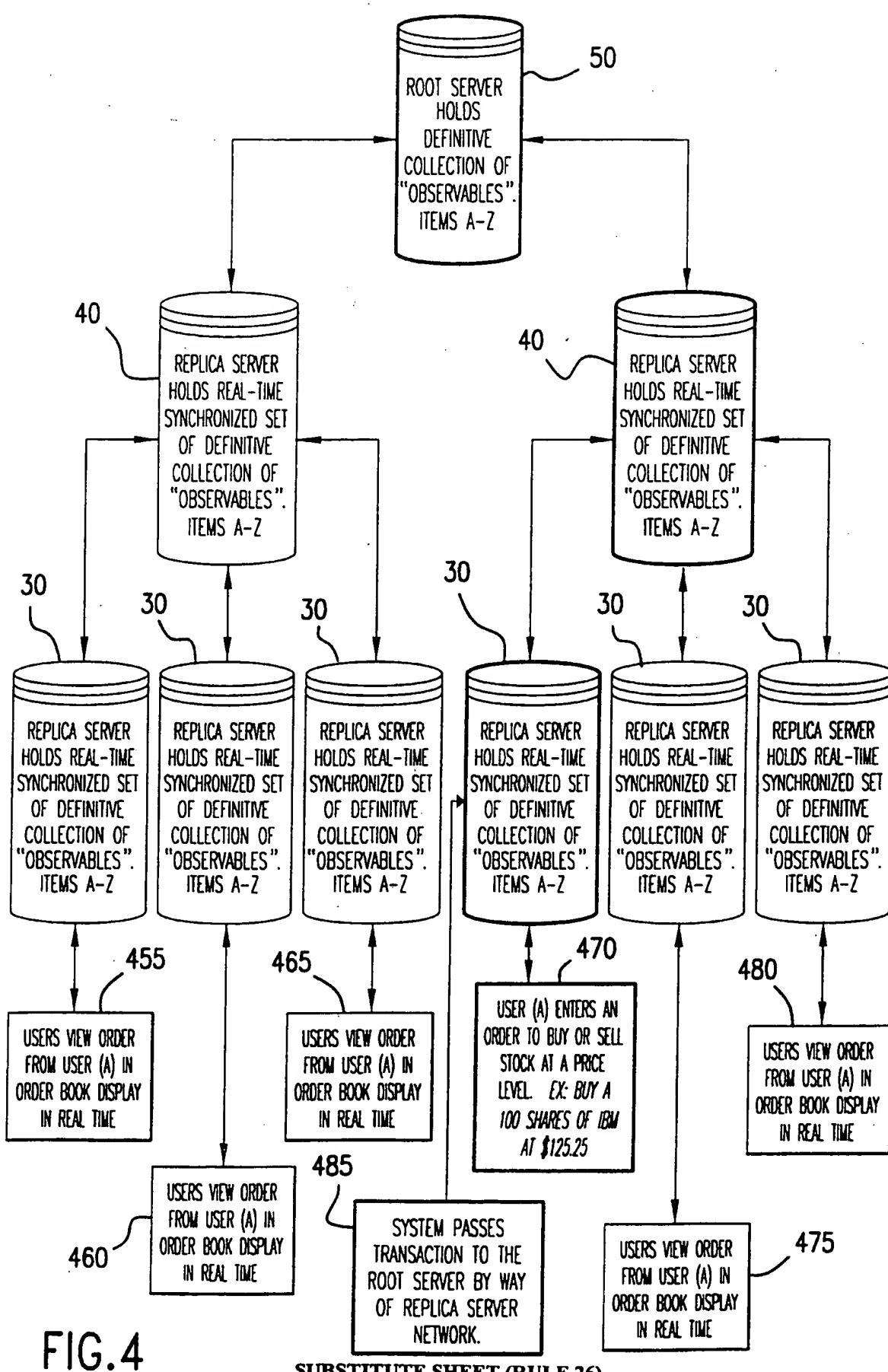
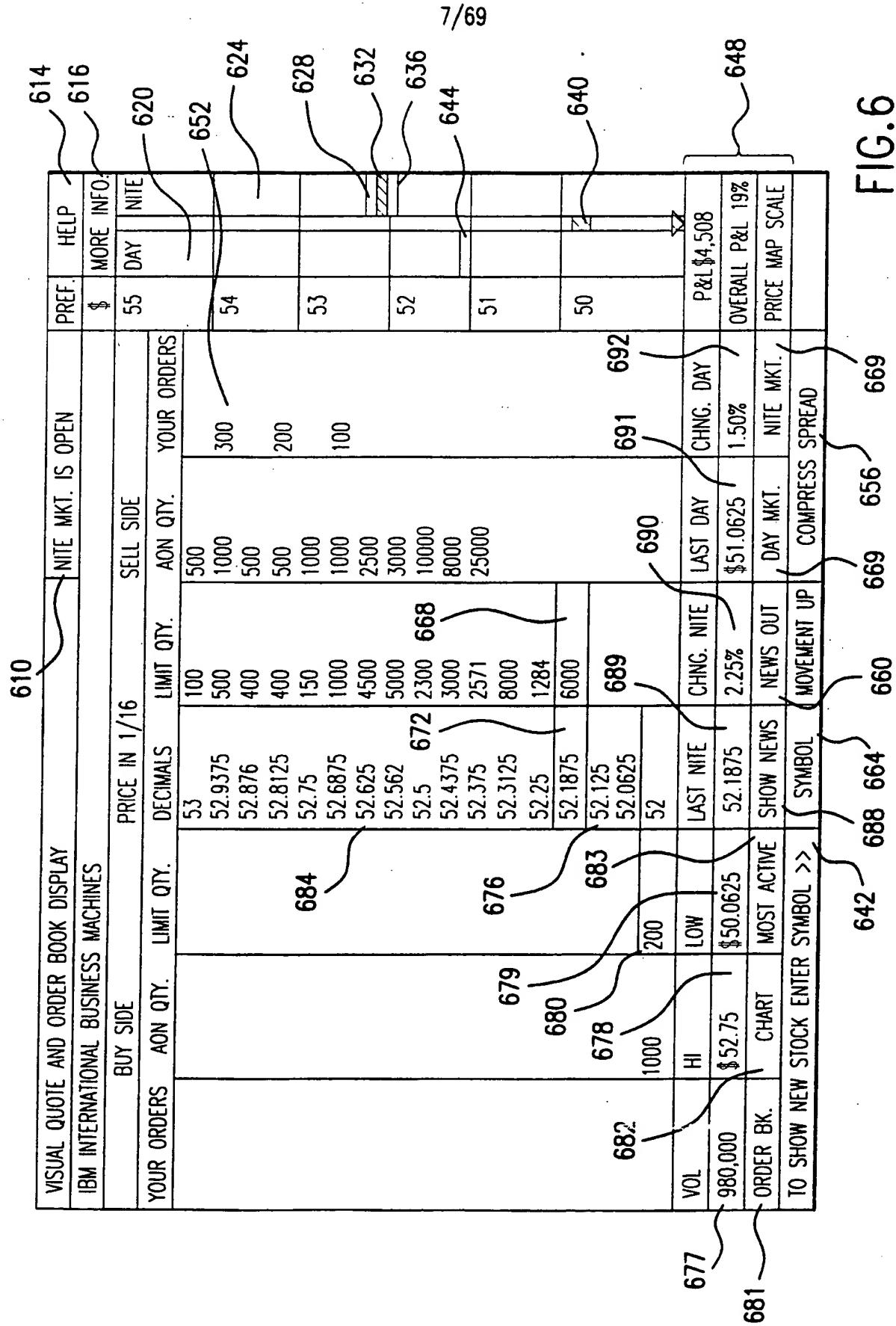


FIG. 4

VISUAL QUOTE AND ORDER BOOK DISPLAY						AFTER HOURS MKT. IS OPEN		\$	HELP	
IBM INTERNATIONAL BUSINESS MACHINES									PREF.	
BUY SIDE		PRICE IN 1/16		SELL SIDE				148	DAY	NITE
YOUR ORDERS	AON QTY.	LIMIT QTY.	DECIMALS	LIMIT QTY.	AON QTY.	YOUR ORDERS				
500			145	100	500			147		
			144.9375	500	1000					
			144.876	400	500					
			144.8125	400	500					
			144.75	150	1000					
			144.6875	1000	1000					
			144.625	4500	2500					
			144.562	5000	3000					
			144.5	2000	10000					
			144.4375							
144.375										
144.3125										
9500	144.25									
3000	144.1875									
2500	144.125									
1000	144.0625									
1000	144									
YOUR POS. \$ 142.50										
VOL	HI	LOW	LAST NITE	CHNG.NITE	LAST DAY	CHNG.DAY	P&L \$4,508			
980.000	\$144.50	\$143.00	144.5	2.25%	\$143.00	1.50%	OVERALL P&L 19%			
ORDER BK.	CHART	MOST ACTIVE	SHOW NEWS	NEWS OUT	DAY MKT	NITE MKT	PRICE MAP SCALE			
TO SHOW NEW STOCK ENTER SYMBOL>>				SYMBOL	MOVEMENT UP	COMPRESS SPREAD				
TRADE TICKET <u>510</u> <span style="float: right;">PREF. HELP X</span>										
ACTION		QUANTITY		SYMBOL		PRICE TYPE				
BUY		▼		▼		▼				
LIMIT PRICE		STOP PRICE		ACCT. 93901031		<input type="checkbox"/> NEGOTIATIONS ALLOWED <input type="checkbox"/> ANONYMOUS				
52		▼		▼		▼				
DURATION		CONDITION		ACCOUNT		ROUTE TO				
DAY		NONE		CASH		NONE				
REAL-TIME QUOTE SHOWN BELOW										
OPEN		HI		LAST		CHANGE				
CLOSE		LOW		VOL						
BID:0.0		BID SIZE: 0.0		ASK: 0.0		ASK SIZE: 0.0				
YOUR CURRENT BUYING POWER IS: IF YOU EXECUTE THIS TRADE YOUR BALANCE WILL BE THE TOTAL COST INCLUDING COMMISSION WILL BE \$										
VERIFICATION		SHOW DSM			CANCEL					
		CLEAR			HIDE DETAILS					
WIT CAPITAL										
ON LINE		WELCOME TO THE NEW WIT CAPITAL DIGITAL STOCK MARKET								
WIT		IBM +.9375, 144.5								
WATCH STKS.										
YOUR STKS.										
TRADE STOCKS		POS./P&L		ACCOUNT HISTORY		FINANCIAL SUMMARY				
QUICK QUOTE		OPEN ORDERS		NEGOTIATIONS		MESSAGES				

<input type="button" value="BACK"/> <input type="button" value="FORWARD"/> <input type="button" value="HOME"/> <input type="button" value="BOOKMARKS"/> <input type="button" value="FIND"/> <input type="button" value="STOP"/> <input type="button" value="OTHER FUNCTIONS"/> <input type="button" value="HELP"/>																																																			
<input type="text" value="SEARCH"/>																																																			
<input type="button" value="DSM NEWS"/>		<input type="button" value="PRE-OPENING"/>	<input type="button" value="OPENING BELL"/>	<input type="button" value="HOT SHOTS"/>	<input type="button" value="NEWS OUT"/>	<input type="button" value="CLOSING BELL"/>																																													
<input type="button" value="HOT SHOTS"/>		NEWS ON THE CURRENT 24 MOST ACTIVE STOCKS				<u>540</u>																																													
<ul style="list-style-type: none"> <li>• IBM REPORTS EARNINGS UP 22% OVER SAME PERIOD LAST YEAR.</li> <li>• DELL IN AFTER HOURS NEWS, REPORTS EARNINGS UP 42% OVER LAST YEAR SAME QUARTER</li> <li>• CMPT IN AFTER HOURS NEWS, REPORTS LAUNCH OF NEW DIRECT SALES PLAN FOR INTERNET</li> </ul>																																																			
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<table border="1"> <thead> <tr> <th></th> <th>BALANCE</th> <th>PROFIT/LOSS</th> <th>CHANGE/DAY</th> <th>CHANGE/YTD</th> </tr> </thead> <tbody> <tr> <td>EQUITIES</td> <td>\$32,868.00</td> <td>\$65,031.25</td> <td>-2%</td> <td>-1%</td> </tr> <tr> <td>MUTUAL FUNDS</td> <td>\$56,987.98</td> <td>\$9,031.25</td> <td>-1%</td> <td>-2%</td> </tr> <tr> <td>GRAND SUM</td> <td>\$1,525,332.00</td> <td>\$9,031.25</td> <td>-1%</td> <td>-2%</td> </tr> <tr> <td>CASH ACCT.</td> <td>\$55,987.87</td> <td></td> <td></td> <td></td> </tr> <tr> <td>MARGIN</td> <td>\$34,657.98</td> <td></td> <td></td> <td></td> </tr> <tr> <td>OPEN ORDERS</td> <td>\$15,789.76</td> <td></td> <td></td> <td></td> </tr> <tr> <td>NEGOTIATIONS</td> <td>\$25,987.87</td> <td></td> <td></td> <td></td> </tr> <tr> <td>BUYING POWER</td> <td>\$40,987.87</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>								BALANCE	PROFIT/LOSS	CHANGE/DAY	CHANGE/YTD	EQUITIES	\$32,868.00	\$65,031.25	-2%	-1%	MUTUAL FUNDS	\$56,987.98	\$9,031.25	-1%	-2%	GRAND SUM	\$1,525,332.00	\$9,031.25	-1%	-2%	CASH ACCT.	\$55,987.87				MARGIN	\$34,657.98				OPEN ORDERS	\$15,789.76				NEGOTIATIONS	\$25,987.87				BUYING POWER	\$40,987.87			
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<input type="button" value="WIT NEWS"/>		<input type="button" value="ACCOUNTS"/>	<input type="button" value="ALERTS"/>		<input type="button" value="SHRINK"/>																																														

**FIG.5B**  
**SUBSTITUTE SHEET (RULE 26)**



**SUBSTITUTE SHEET (RULE 26)**

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740

OPEN ORDER LIST							PREF.	HELP	X
SYMBOL	ACCOUNT	ACTION	ORDER TYPE	LIMIT \$	QUANTITY	CURRENT			
IBM	CASH	SELL/N	LIMIT	121.00	200	121.1875			
IBM	CASH	SELL/N	LIMIT	121.00	400	121.1875			
<input type="button" value="◀"/>							<input type="button" value="▶"/>		
BUYING POWER \$0.00			BUY TOTAL \$0.00			SELL TOTAL \$4,144,440.32			
<input type="button" value="CANCEL"/>	<input type="button" value="CANCEL ALL"/>			<input type="button" value="SORT"/>	<input type="button" value="DETAILS &gt;"/>	<input type="button" value="CHANGE"/>			

730

720

710

FIG.7

450

CURRENT POSITIONS							PREF.	HELP	X
SYMBOL	ACCOUNT	PRICE	QUANTITY	COST	CHANGE	PROFIT/LOSS			
AOL	CASH	119.375	100	96.25	.23	8062.83	<input type="button" value="▲"/>		
AOL	CASH	78.50	100	55.00	.24	7006.37			
CCI	CASH	89.25	100	83.5	.06	9355.74			
CSCO	CASH	60.00	100	59	.01	9833.33			
DELL	CASH	75.375	100	65.25	.10	8656.72	<input type="button" value="▼"/>		
<input type="button" value="◀"/>							<input type="button" value="▶"/>		
BUYING POWER \$			TOTAL POSITIONS \$						
<input type="button" value="SELL"/>			<input type="button" value="SORT"/>	<input type="button" value="DETAILS &gt;"/>	<input type="button" value="REPORTS"/>				

810

820

830

FIG.8

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560		910		920		930		940	
945		950		955		960		965	
FINANCIAL SUMMARY		BALANCE		PROFIT/LOSS		CHANGE/DAY		PREF.	
EQUITIES		\$32,868.00		\$65,031.25		-2%		CHANGE/YTD	
MUTUAL FUNDS		\$156,987.98		\$9,031.25		-1%		-1%	
GRAND SUM.		\$1,525,332.00		\$9,031.25		-1%		-2%	
CASH ACCT.		\$55,987.87				-1%		-2%	
MARGIN		\$34,657.98							
OPEN ORDERS		\$15,789.76							
NEGOTIATIONS		\$25,987.87							
BUYING POWER		\$40,987.87							
								REPORTS	
								DETAILS >	

FIG. 9

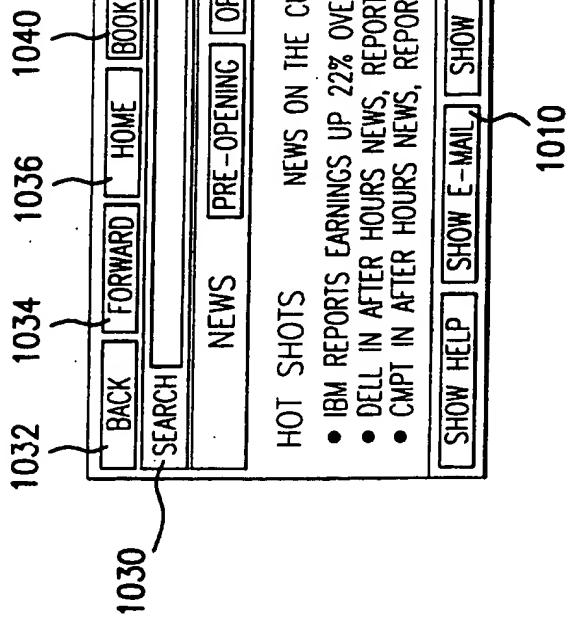


FIG. 10

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TRADE TICKET	1140	1145	1130	1135	1160
ACTION	BUY	1125	1125	1125	1160
LIMIT PRICE					1175
DURATION	DAY	1150	1150	1150	1180
REAL-TIME QUOTE SHOWN BELOW					
OPEN	HI				
CLOSE	LO				
BID: 0.0	BID SIZE: 0.0	1155	1155	1165	1170
LAST VOL ASK: 0.0 1165 ASK SIZE: 0.0 1170					
CHANGE					
1112 YOUR CURRENT BUYING POWER IS: \$ \$ \$					
1114 IF YOU EXECUTE THIS TRADE YOUR BALANCE WILL BE \$ \$ \$					
1116 THE TOTAL COST INCLUDING COMMISSION WILL BE \$ \$ \$					
VERIFICATION	SHOW DSM	CLEAR	CANCEL	HIDE DETAILS	1110
					1115

SUBSTITUTE SHEET (RULE 26)

FIG. 11

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1210	WT CAPITAL	ON LINE	WELCOME TO THE	STOCK MARKET	ORDER DRIVER	PREFERENCES	HELP
			IBM	+ 9.375			11:07:55
	WT						NASDAQ
	WATCH STKS.						NYSE
	YOUR STKS.						
1220							
1230							

FIG.12

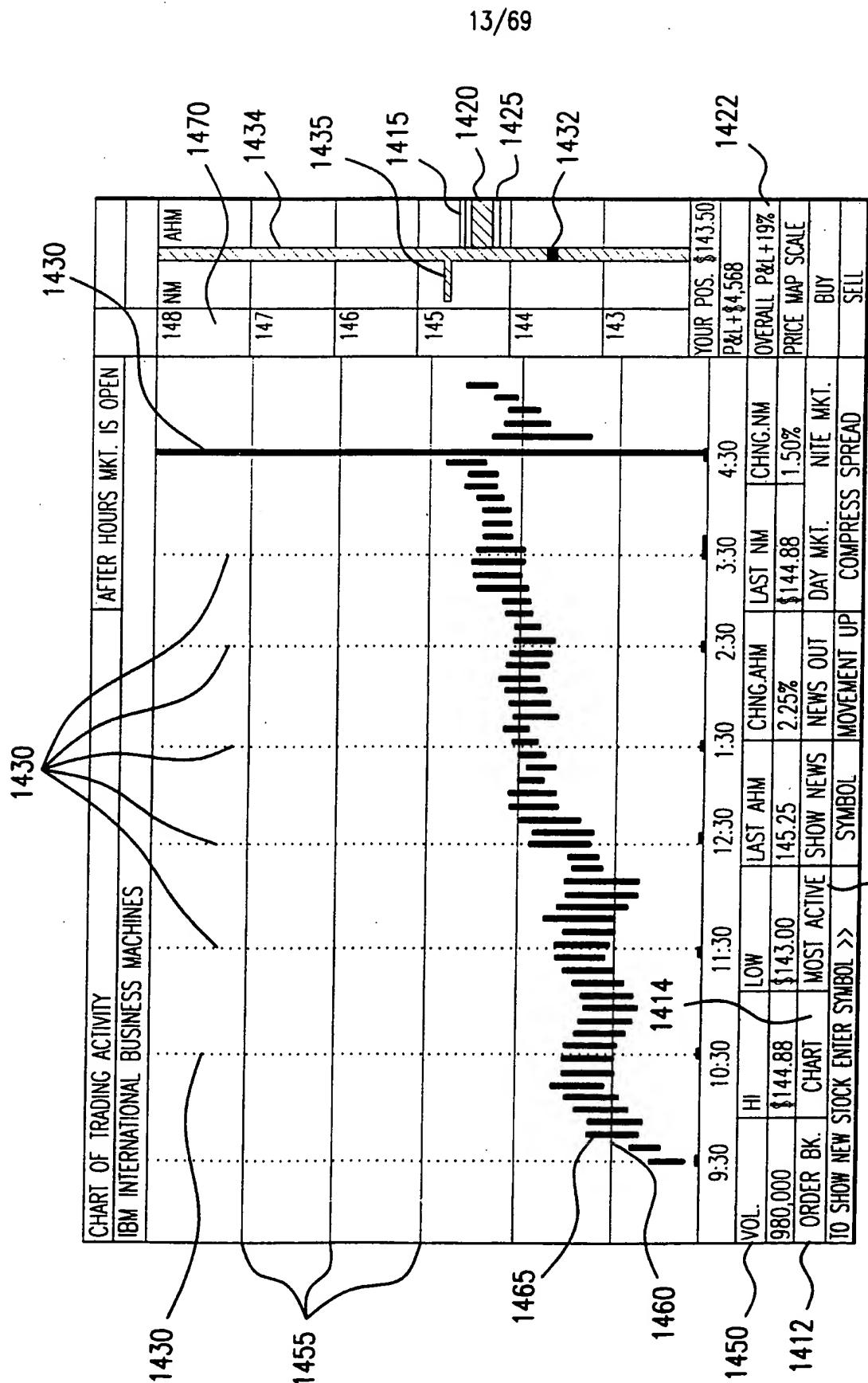
12/69

1330

1340

FIG. 13

**SUBSTITUTE SHEET (RULE 26)**



1416 FIG. 14

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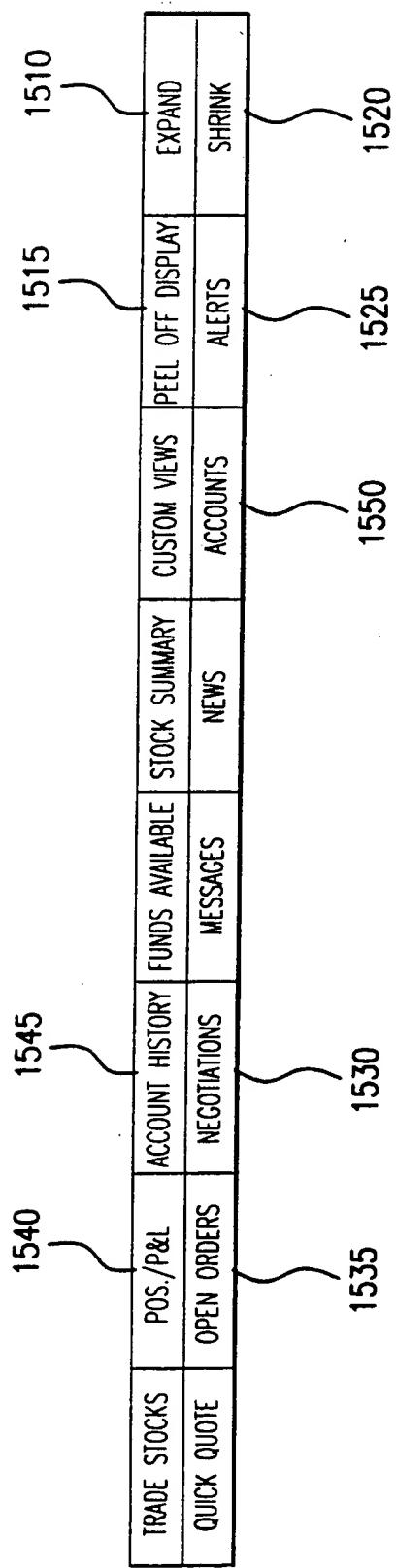


FIG. 15

VISUAL QUOTE AND ORDER BOOK DISPLAY		AFTER HOURS MKT. IS OPEN		\$		HELP	
IBM INTERNATIONAL BUSINESS MACHINES						PREF.	
BUY SIDE		PRICE IN 1/16		SELL SIDE			
YOUR ORDERS	AON QTY.	LIMIT QTY.	DECIMALS	LIMIT QTY.	AON QTY.	YOUR ORDERS	
			145	100	500	148	DAY
			144.9375	500	1000	147	NITE
			144.876	400	500		
			144.8125	400	500		
			144.75	150	1000	146	
			144.6875	1000	1000		
			144.625	4500	2500		
			144.562	5000	3000	145	
			144.5	2000	10000		
			144.4375				
			144.375				
			144.3125				
	3000	9500	144.25				
	2500	3000	144.1875				
	1000	1000	144.125				
	1000	100	144.0625				
	1000	200	144				
						YOUR POS \$142.50	
VOL	HI	LOW	LAST NITE	CHNG.NITE	LAST DAY	CHNG.DAY	P&L \$4,508
980.000	\$144.50	\$143.00	144.5	2.25%	\$143.00	1.50%	OVERALL P&L 19%
ORDER BK.	CHART	MOST ACTIVE	SHOW NEWS	NEWS OUT	DAY MKT	NITE MKT	PRICE MAP SCALE
TO SHOW NEW STOCK ENTER SYMBOL>>			SYMBOL	MOVEMENT UP	COMPRESS SPREAD		
TRADE TICKET						PREF.	X
ACTION		QUANTITY	SYMBOL	PRICE TYPE			
BUY		▼	▼	▼	▼	▼	▼
LIMIT PRICE		STOP PRICE	ACCT. 93901031		NEGOTIATIONS ALLOWED		
52		▼	▼	▼	▼	▼	▼
DURATION		CONDITION	ACCOUNT	ROUTE TO			
DAY		▼	▼	▼	▼	▼	▼
REAL-TIME QUOTE SHOWN BELOW							
OPEN		HI	LAST	CHANGE			
CLOSE		LOW	VOL				
BID:0.0		BID SIZE: 0.0	ASK: 0.0	ASK SIZE: 0.0			
YOUR CURRENT BUYING POWER IS: IF YOU EXECUTE THIS TRADE YOUR BALANCE WILL BE THE TOTAL COST INCLUDING COMMISSION WILL BE							
VERIFICATION		SHOW DSM	CANCEL				
		CLEAR	HIDE DETAILS				
WIT CAPITAL							
ON LINE		WELCOME TO THE NEW WIT CAPITAL DIGITAL STOCK MARKET					
		AOL+.375	BA+.50	CCI+1.25			
WIT		GTWY+.25		AAIR+2.96675			
WATCH STKS.		ADLI+3.625	AGMXX+.16015	AGPH+54.00			
YOUR STKS.		ALIF+1.626	AMAT+43.0375	AMGN+101.00			
TRADE STOCKS		POS./P&L	ACCOUNT HISTORY	FUNDS AVAILABLE			
QUICK QUOTE		OPEN ORDERS	NEGOTIATIONS	MESSAGES			

1610

FIG. 16A  
SUBSTITUTE SHEET (RULE 26)

<input type="button" value="BACK"/> <input type="button" value="FORWARD"/> <input type="button" value="HOME"/> <input type="button" value="BOOKMARKS"/> <input type="button" value="FIND"/> <input type="button" value="STOP"/> <input type="button" value="OTHER FUNCTIONS"/> <input type="button" value="HELP"/>						
<input type="text" value="SEARCH"/>						
DSM NEWS		PRE-OPENING	OPENING BELL	HOT SHOTS	NEWS OUT	CLOSING BELL
<b>HOT SHOTS</b> NEWS ON THE CURRENT 24 MOST ACTIVE STOCKS <ul style="list-style-type: none"> <li>• IBM REPORTS EARNINGS UP 22% OVER SAME PERIOD LAST YEAR.</li> <li>• DELL IN AFTER HOURS NEWS, REPORTS EARNINGS UP 42% OVER LAST YEAR SAME QUARTER</li> <li>• CMPT IN AFTER HOURS NEWS, REPORTS LAUNCH OF NEW DIRECT SALES PLAN FOR INTERNET</li> </ul>						
<input type="button" value="SHOW HELP"/> <input type="button" value="SHOW EMAIL"/> <input type="button" value="SHOW NEWS"/>		<input type="button" value="SHOW CHART"/>		<input type="button" value="SORT NEWS"/>		<input type="button" value="SHOW MY STKS."/>
<b>OPEN ORDER LIST</b> <input type="button" value="PREF."/> <input type="button" value="HELP"/>						
SYMBOL	ACCOUNT	ACTION	ORDER TYPE	LIMIT \$	QUANTITY	CURRENT
IBM	CASH	SELL	LIMIT	121.00	200	121.1875
IBM	CASH	SELL	LIMIT	121.00	400	121.1875
<input type="button" value="&lt; "/> <input type="button" value=" &gt;"/>						
BUYING POWER \$0.00			BUY TOTAL \$0.00		SELL TOTAL \$4,144,440.32	
<input type="button" value="CANCEL"/> <input type="button" value="CANCEL ALL"/>			<input type="button" value="SORT"/>		<input type="button" value="DETAILS&gt;"/> <input type="button" value="CHANGE"/>	
<b>CURRENT POSITIONS</b> <input type="button" value="PREF."/> <input type="button" value="HELP"/>						
SYMBOL	ACCOUNT	PRICE	QUANTITY	COST	CHANGE	PROFIT/LOSS
AOL	CASH	119.375	100			8,002 <input type="button" value="△"/>
AOL	CASH	78.50	100			16,484 <input type="button" value=""/>
CCI	CASH	89.25	100			1,350 <input type="button" value=""/>
CSCO	CASH	60.00	100			855.00 <input type="button" value=""/>
DELL	CASH	75.375	100			<input type="button" value="▽"/>
<input type="button" value="&lt; "/> <input type="button" value=" &gt;"/>						
BUYING POWER \$			TOTAL POSITIONS \$			
<input type="button" value="SELL"/>			<input type="button" value="SORT"/>		<input type="button" value="DETAILS&gt;"/> <input type="button" value="REPORTS"/>	
<b>FINANCIAL SUMMARY</b> <input type="button" value="PREF."/> <input type="button" value="HELP"/>						
		BALANCE	PROFIT/LOSS	CHANGE/DAY	CHANGE/YTD	
EQUITIES		32,868.00	\$65,031.25	-2%	-1%	
MUTUAL FUNDS		\$56,987.98	\$9,031.25	-1%	-2%	
GRAND SUM		\$1,525,332.00	\$9,031.25	-1%	-2%	
CASH ACCT.		\$55,987.87				
MARGIN		\$34,657.98				
OPEN ORDERS		\$15,789.76				
NEGOTIATIONS		\$25,987.87				
BUYING POWER		\$40,987.87				
			<input type="button" value="DETAILS&gt;"/>		<input type="button" value="REPORTS"/>	
			<input type="button" value="PREFERENCES"/>		<input type="button" value="HELP"/>	
					00:00:00	
CACS+1.00						
ABGXX+.21093		ABCXX+.16406	ACRXX+.30858	NASDAQ		
AHWY+13.175		AKLM+11.50	AKZOY+43.375	NYSE		
AMKR+9.625		AMNXX+.30076	AMZN+324.6125			
STOCK SUMMARY		CUSTOM VIEWS	PEEL OFF DISPLAY	EXPAND		
WIT NEWS		ACCOUNTS	ALERTS	SHRINK		

FIG.16B

 ↑ ↓  
 CONTINUED ON FIG.16C  
 SUBSTITUTE SHEET (RULE 26)

CONTINUED FROM FIG. 16B

→  
→

1620

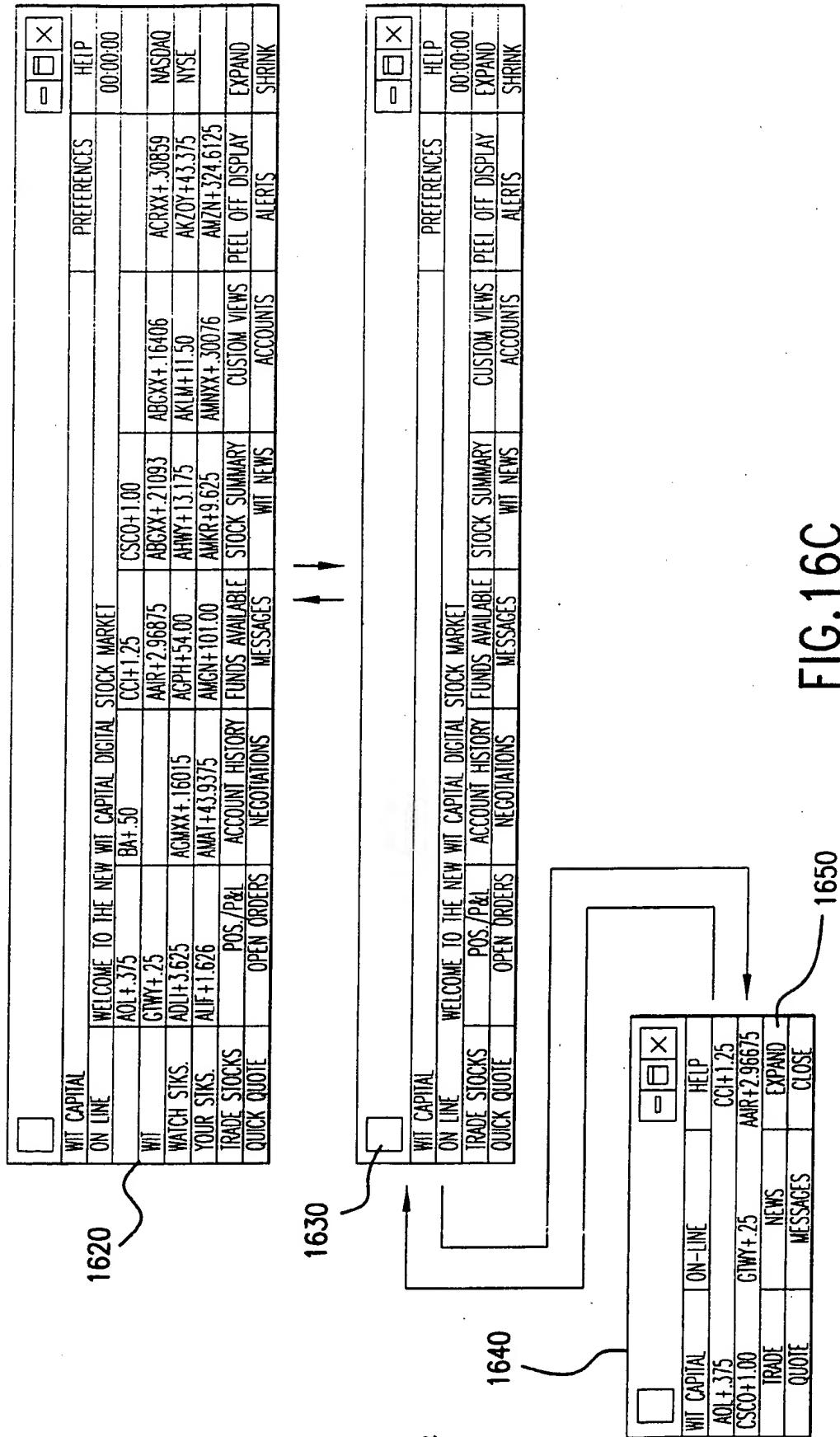
1620

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1620

1640

**SUBSTITUTE SHEET (RULE 26)**



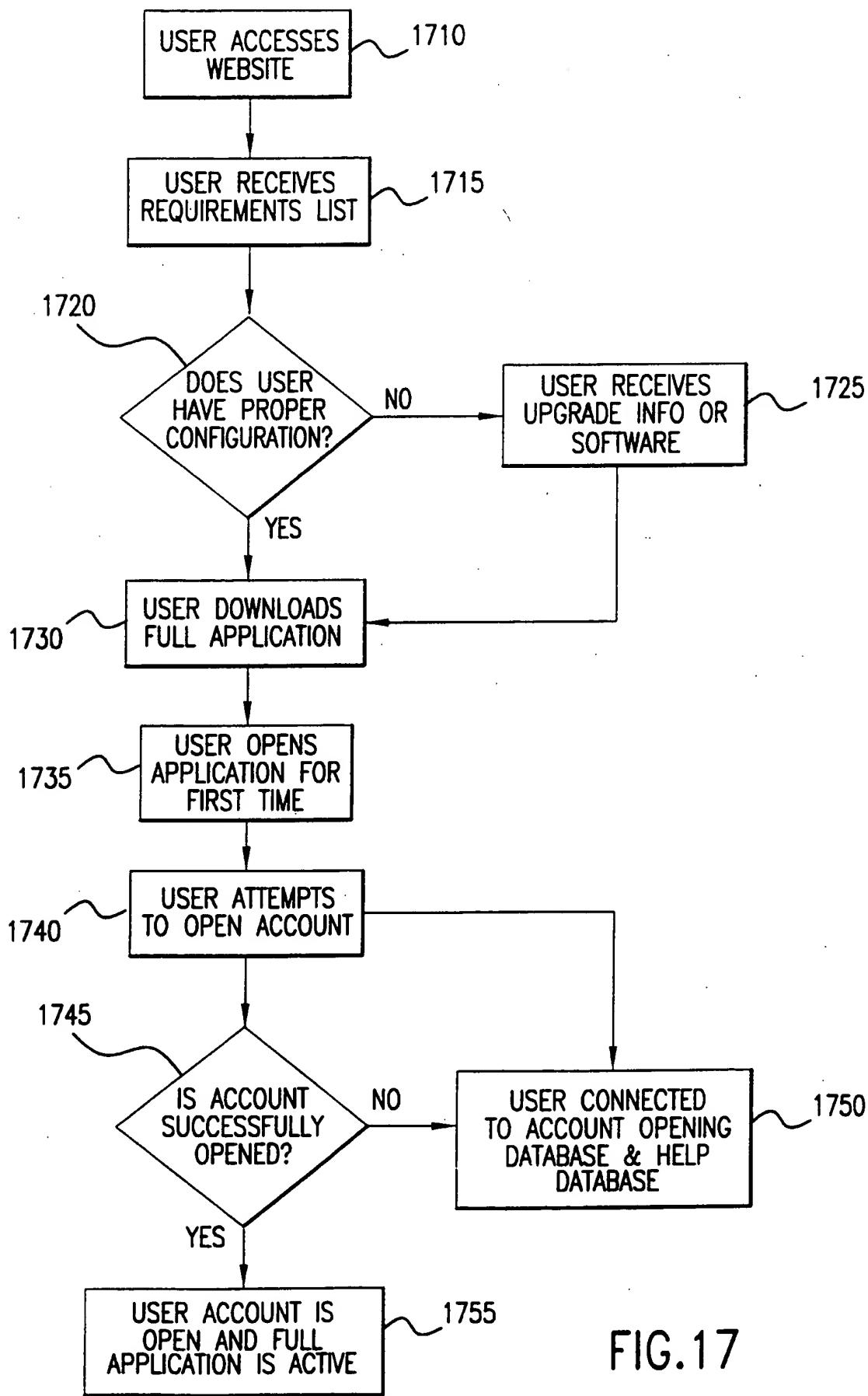


FIG.17

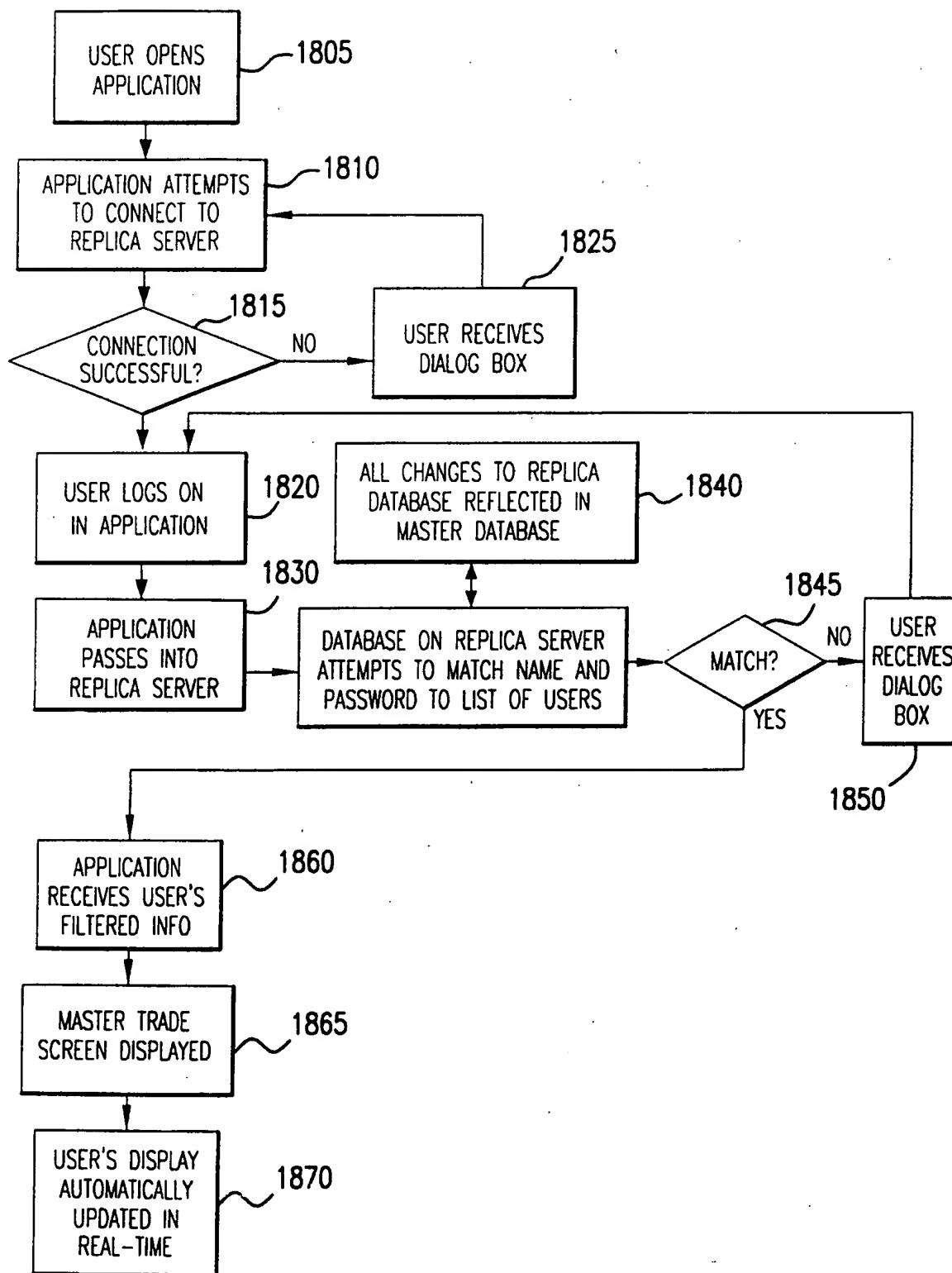


FIG.18

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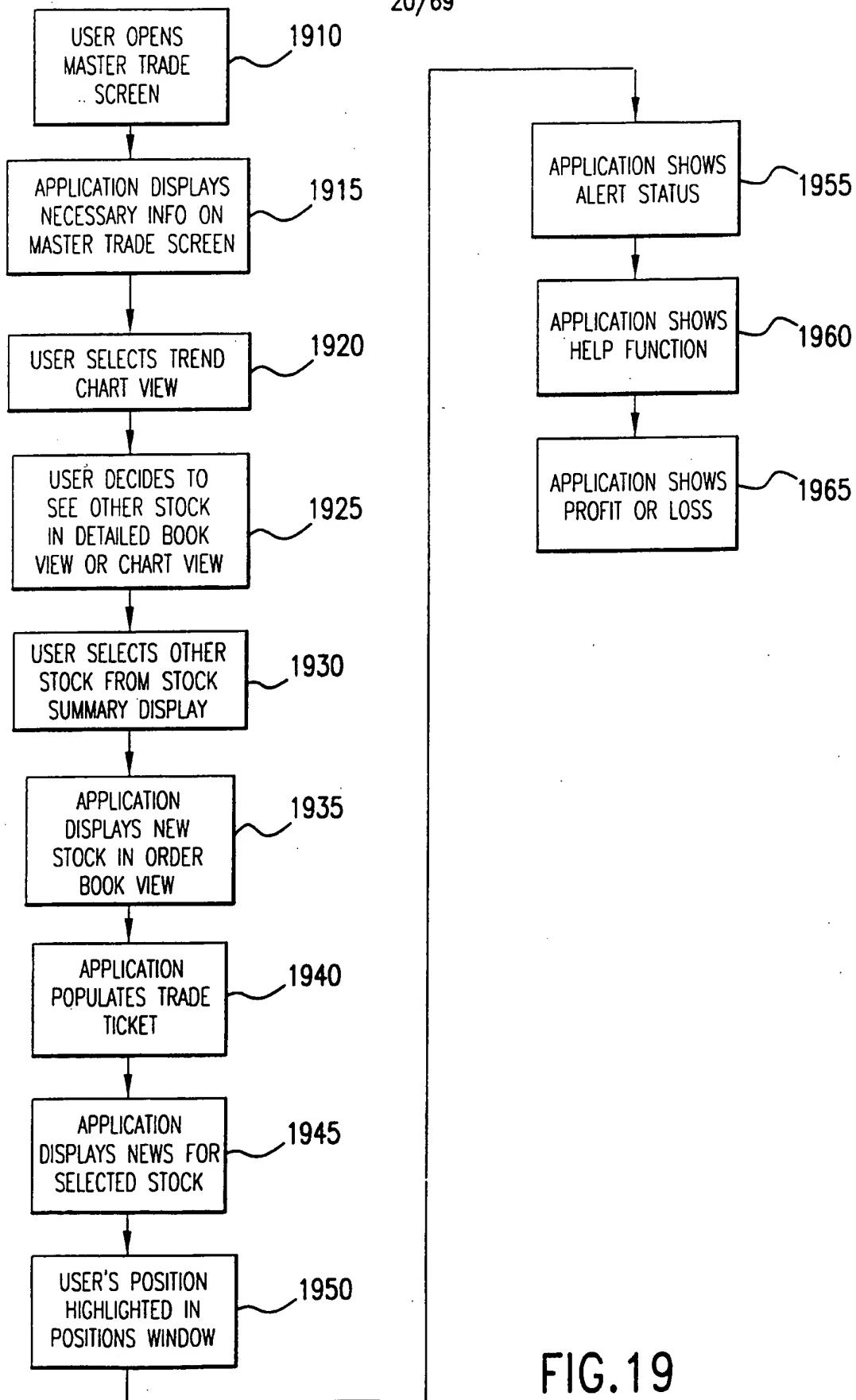


FIG.19

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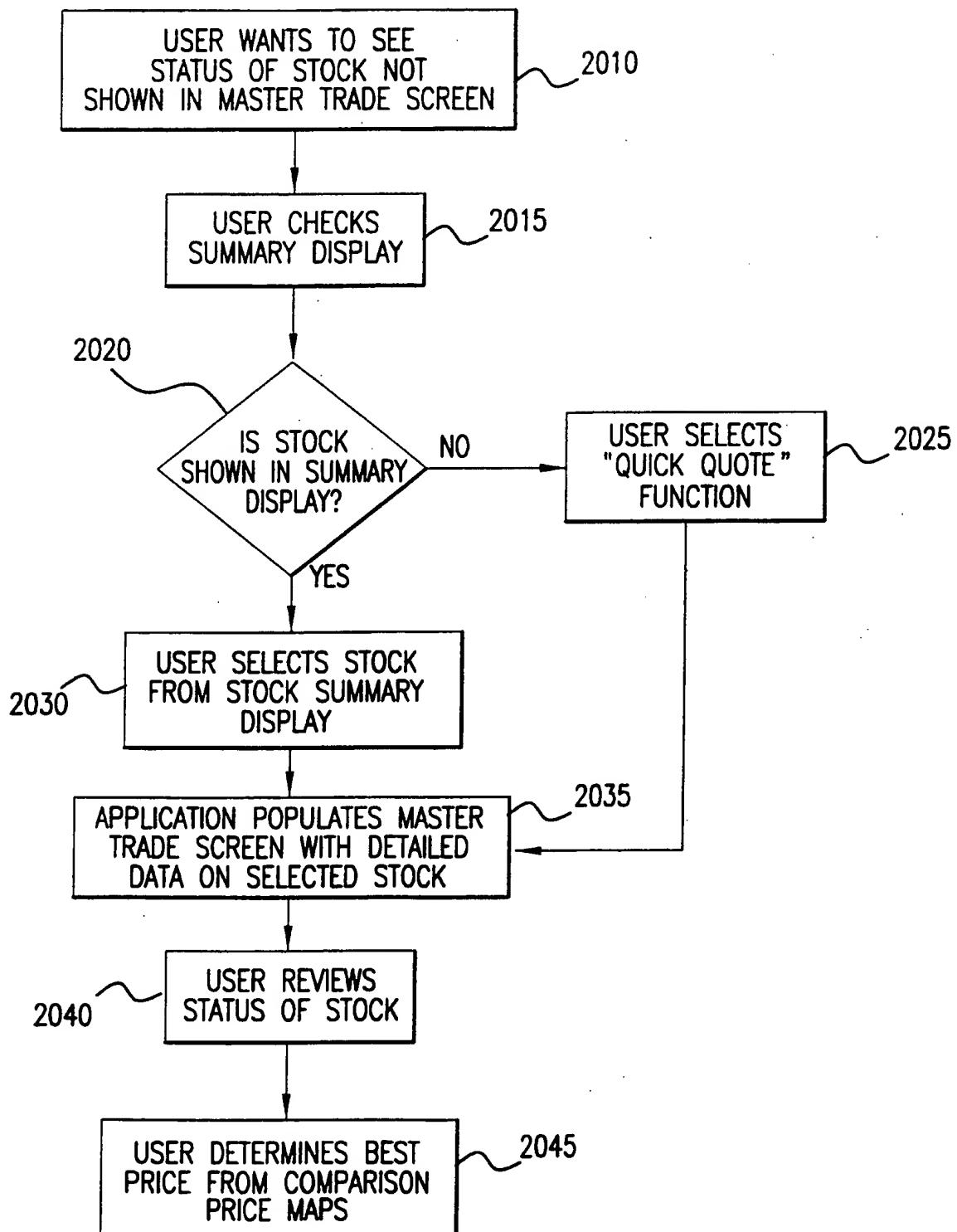


FIG.20

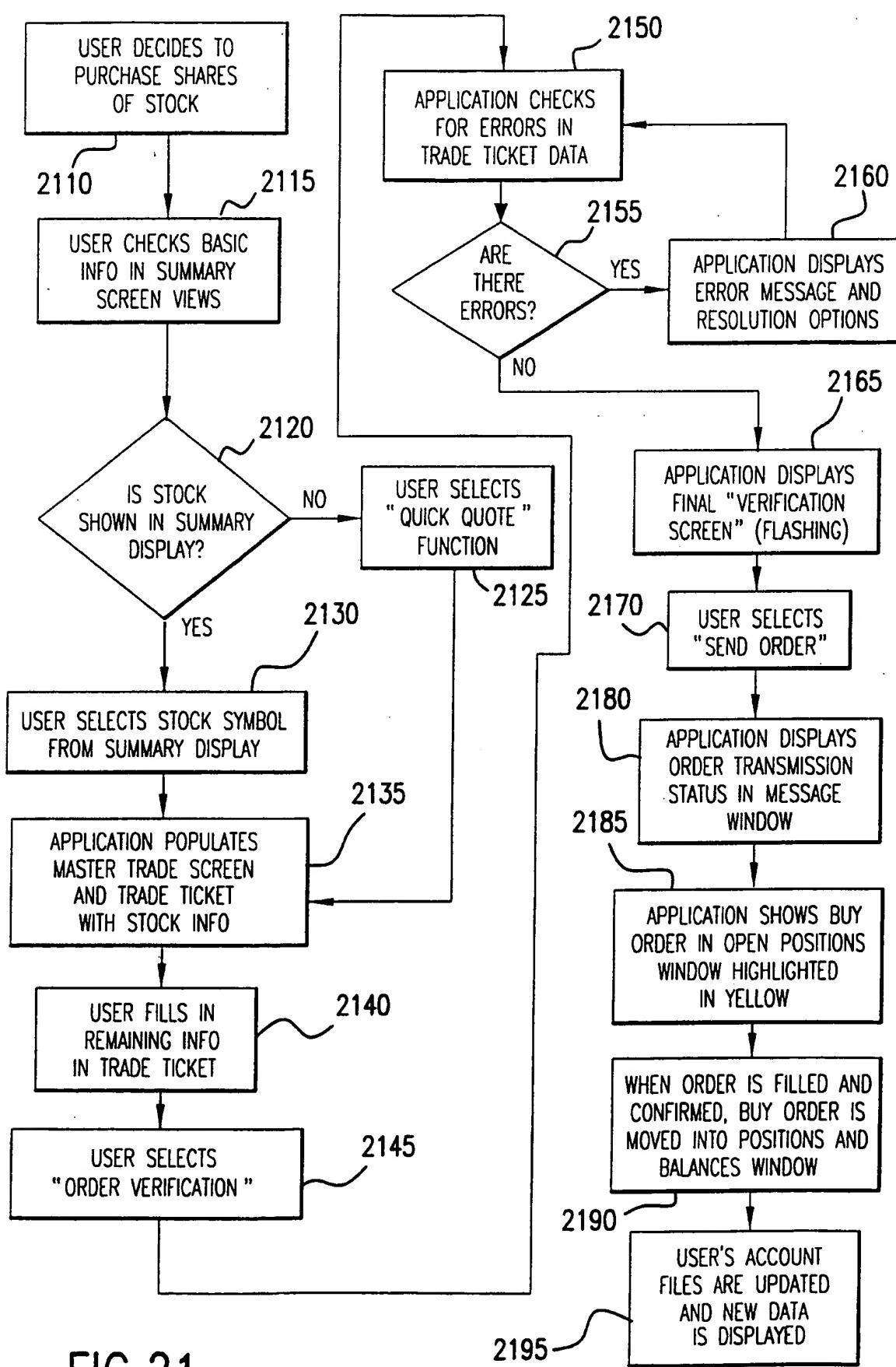


FIG.21

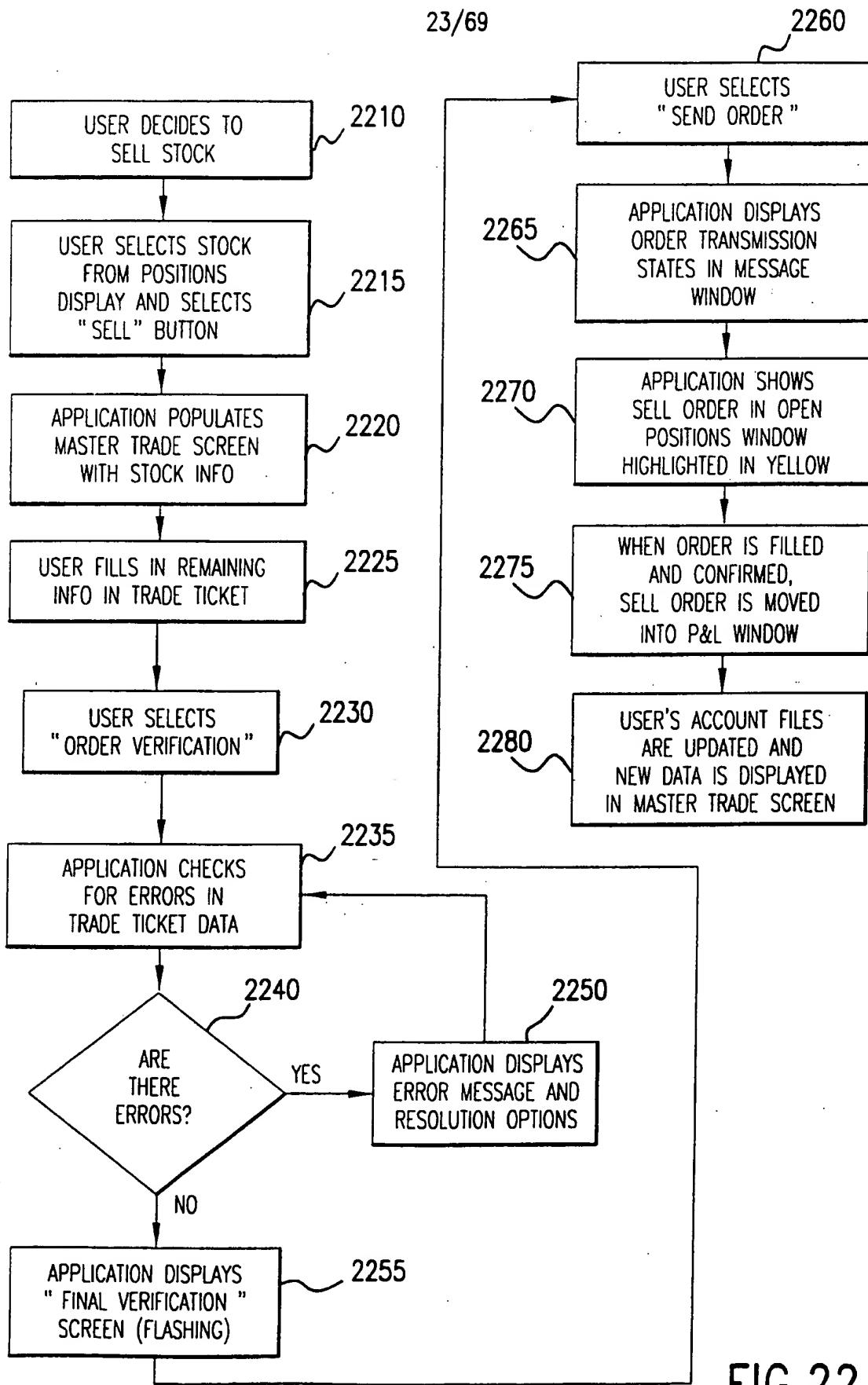


FIG.22

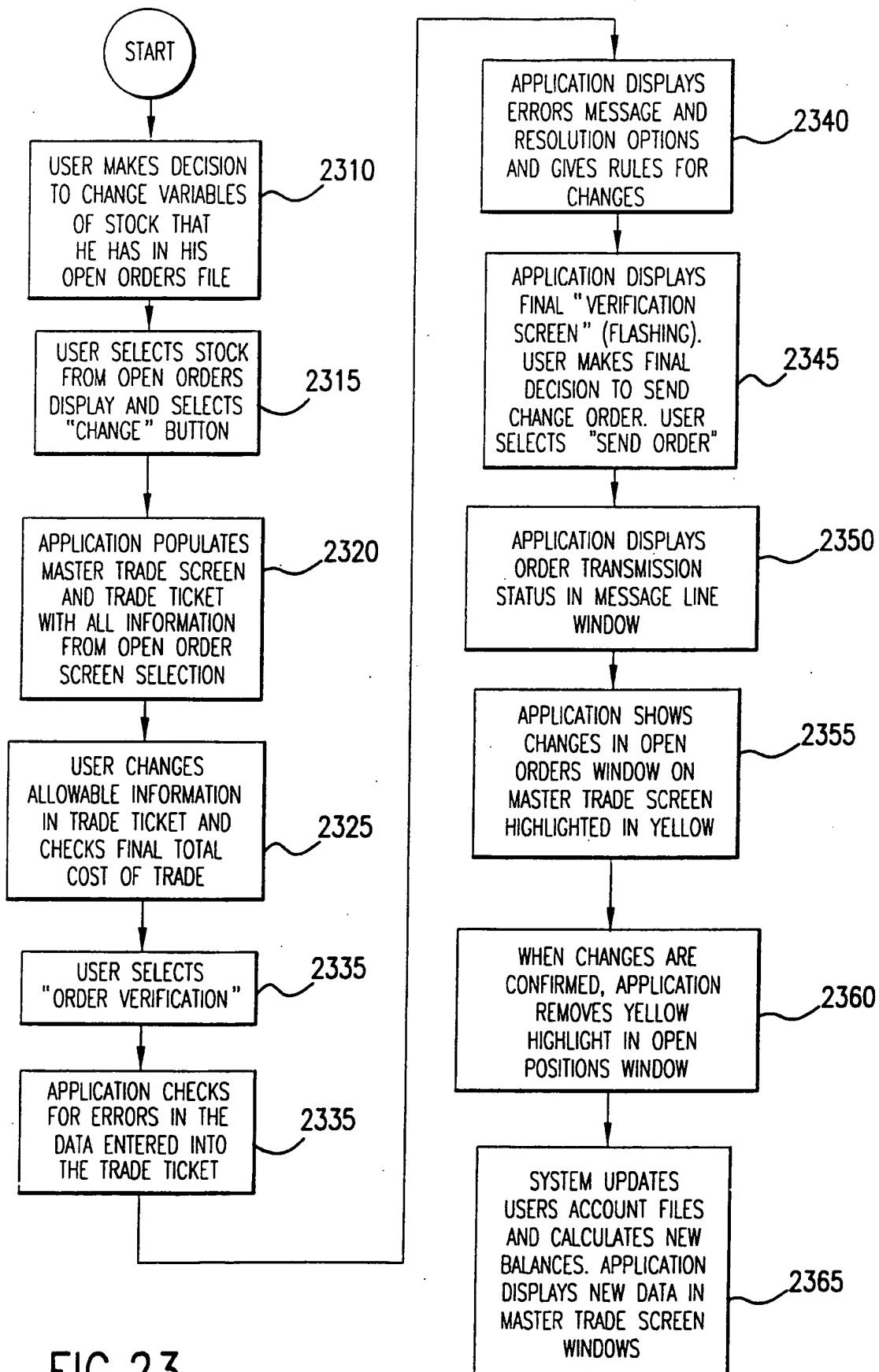


FIG.23

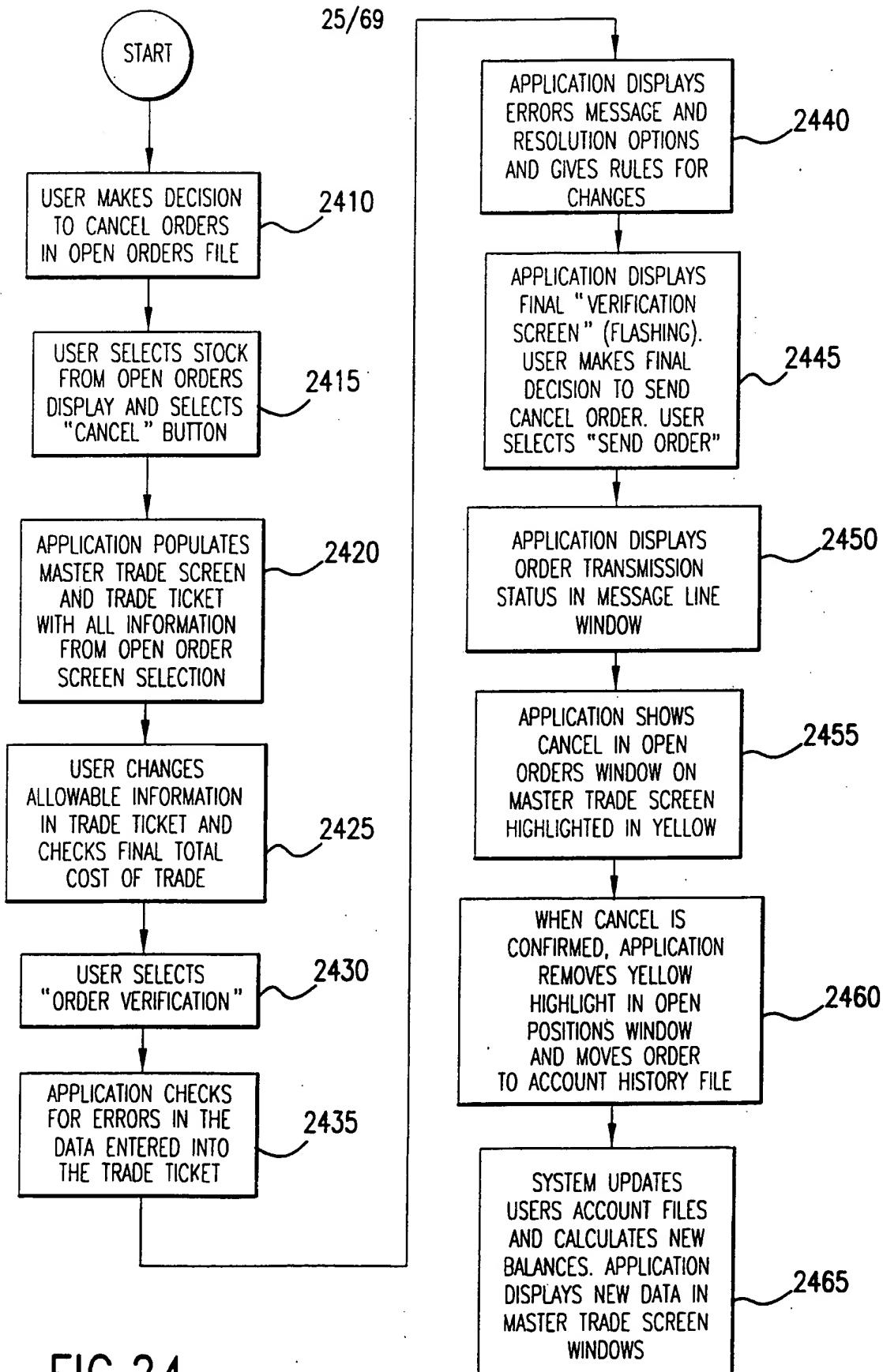


FIG.24

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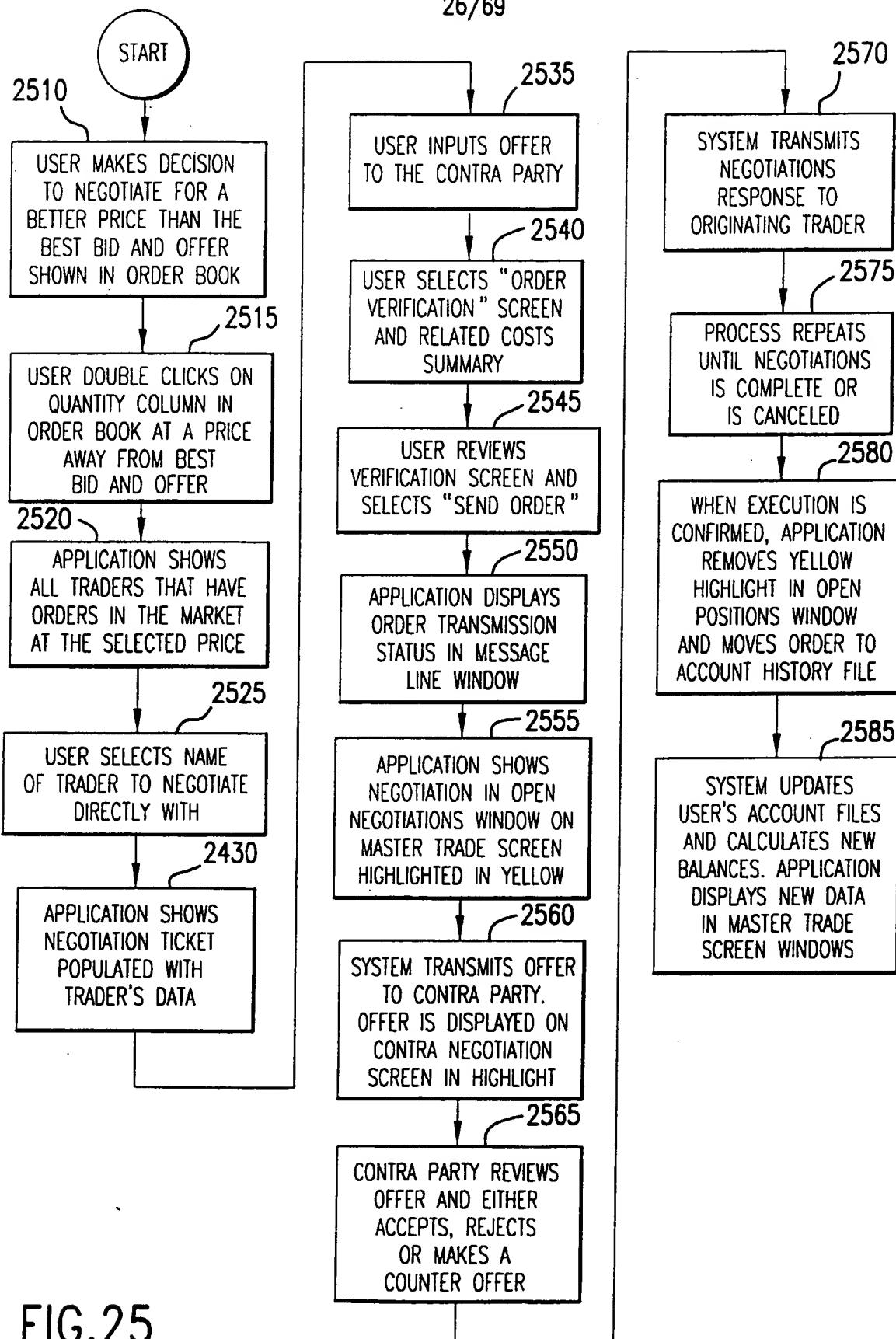


FIG.25

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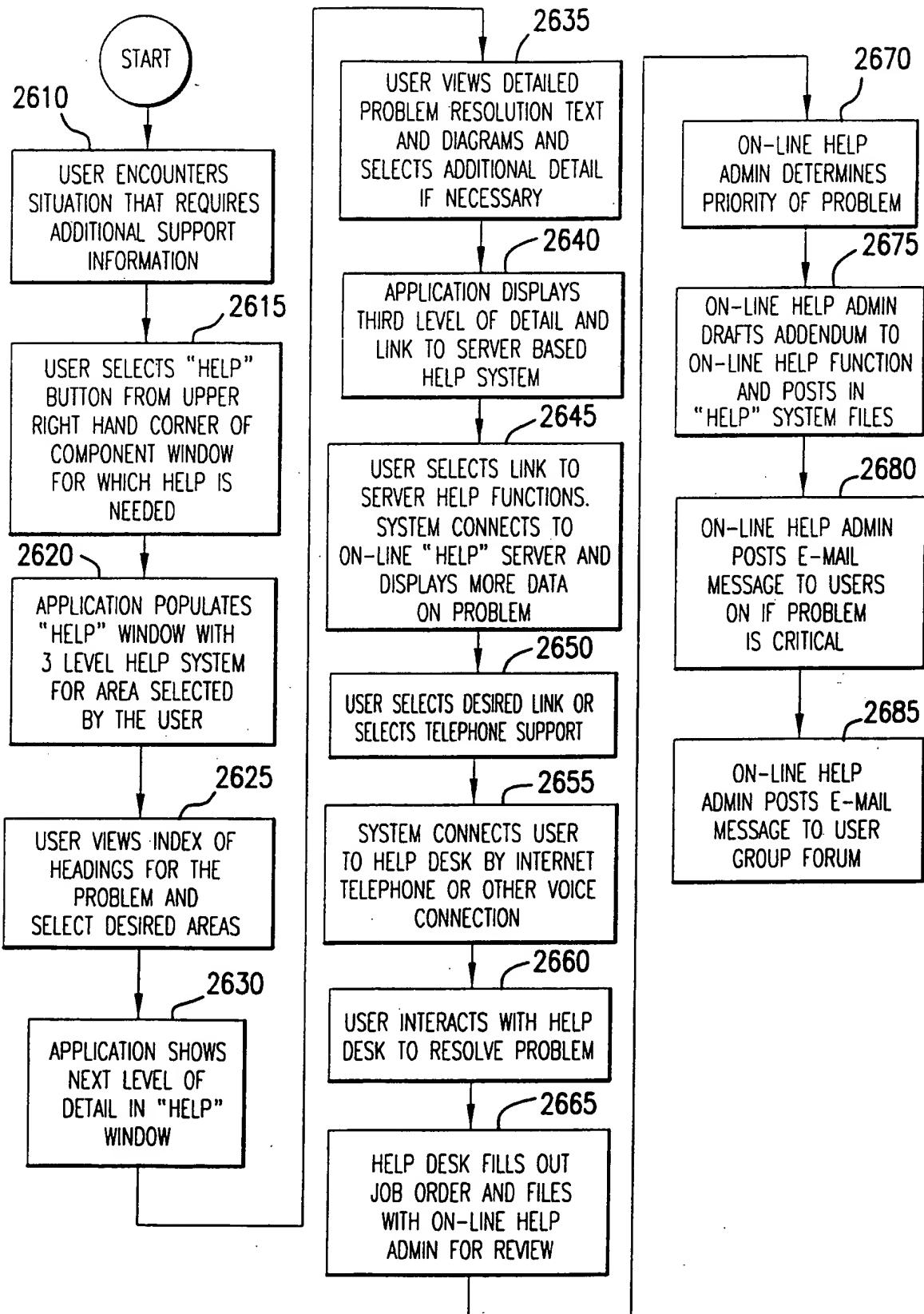


FIG.26

SUBSTITUTE SHEET (RULE 26)

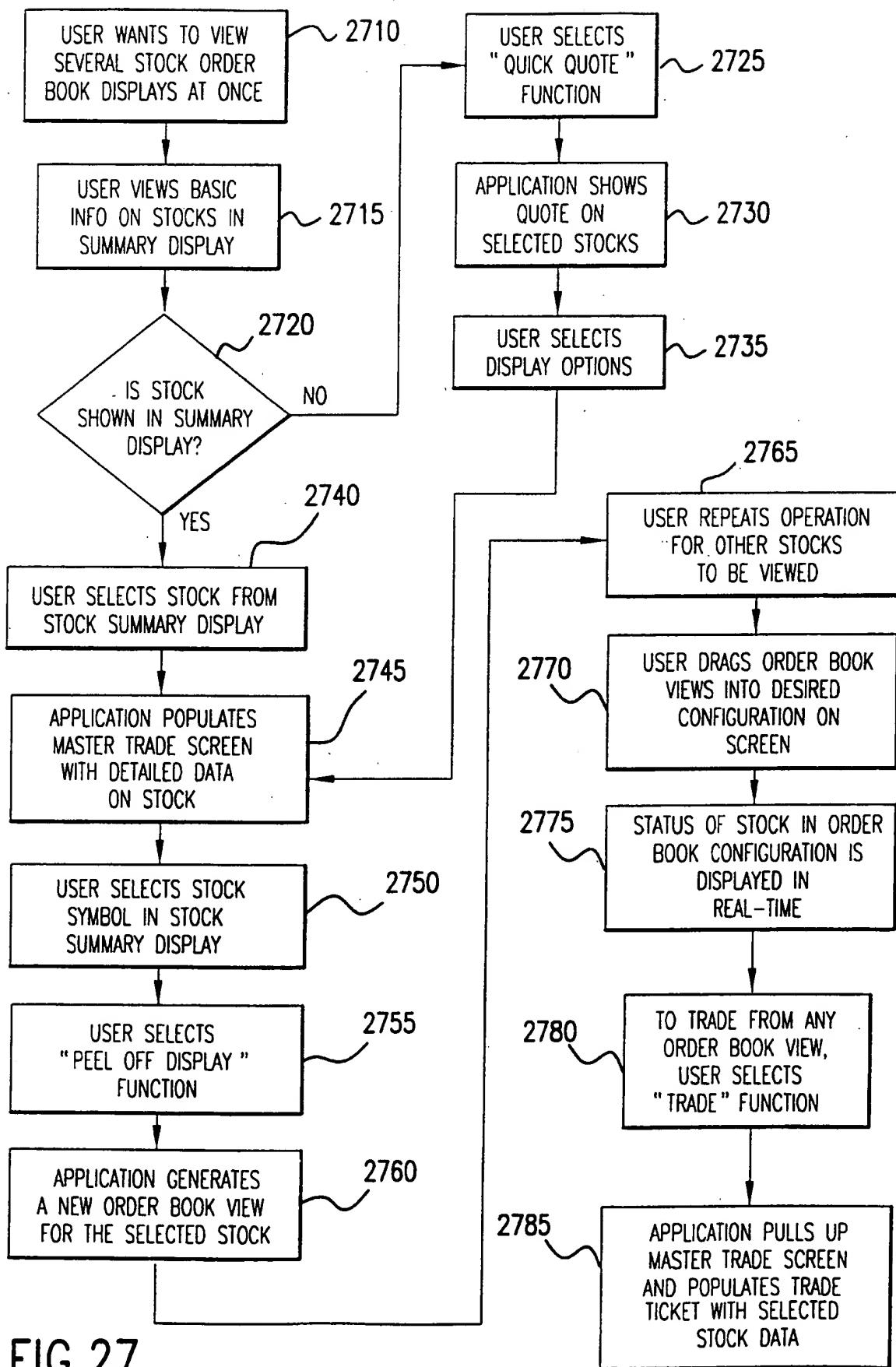


FIG.27

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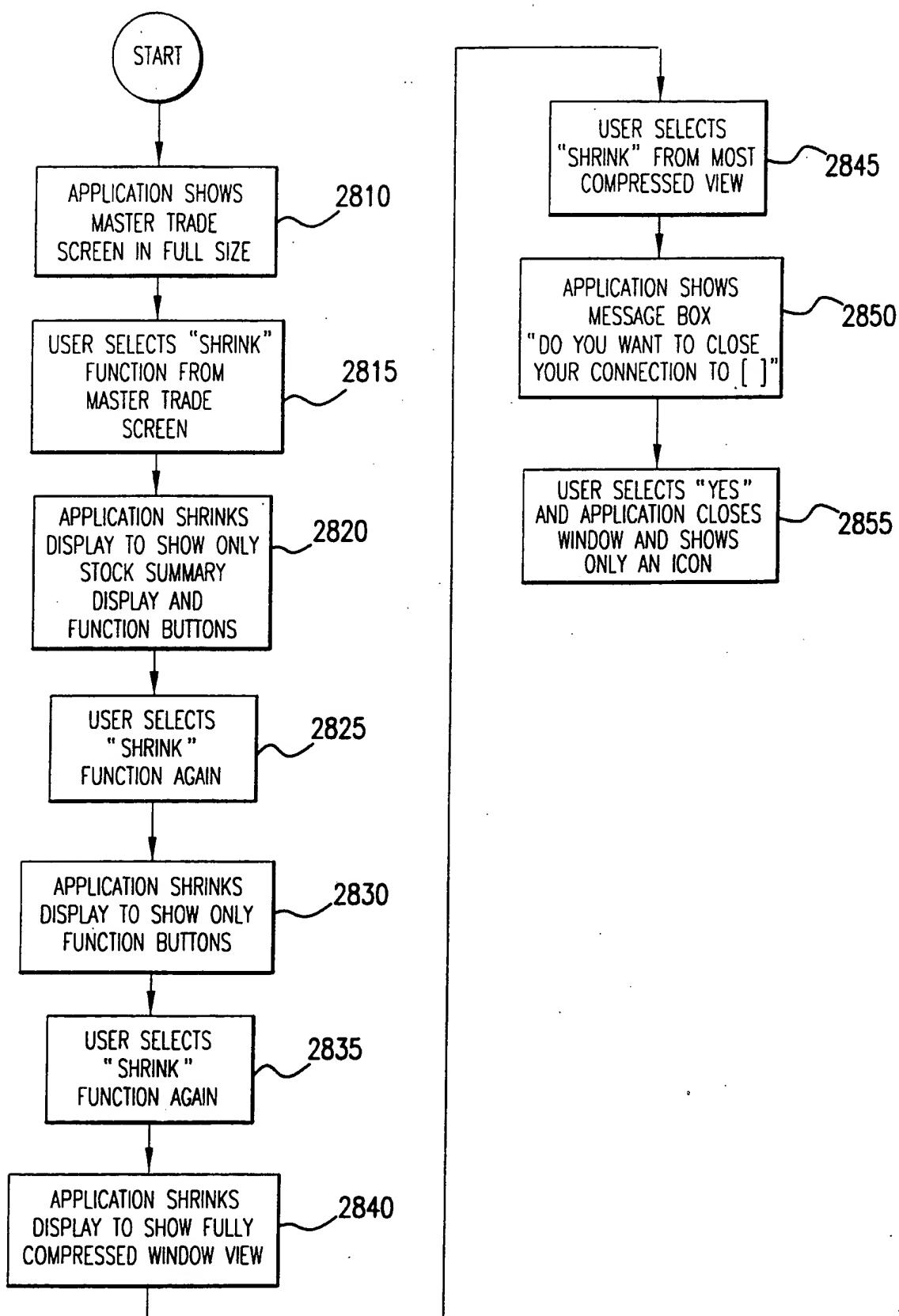


FIG.28

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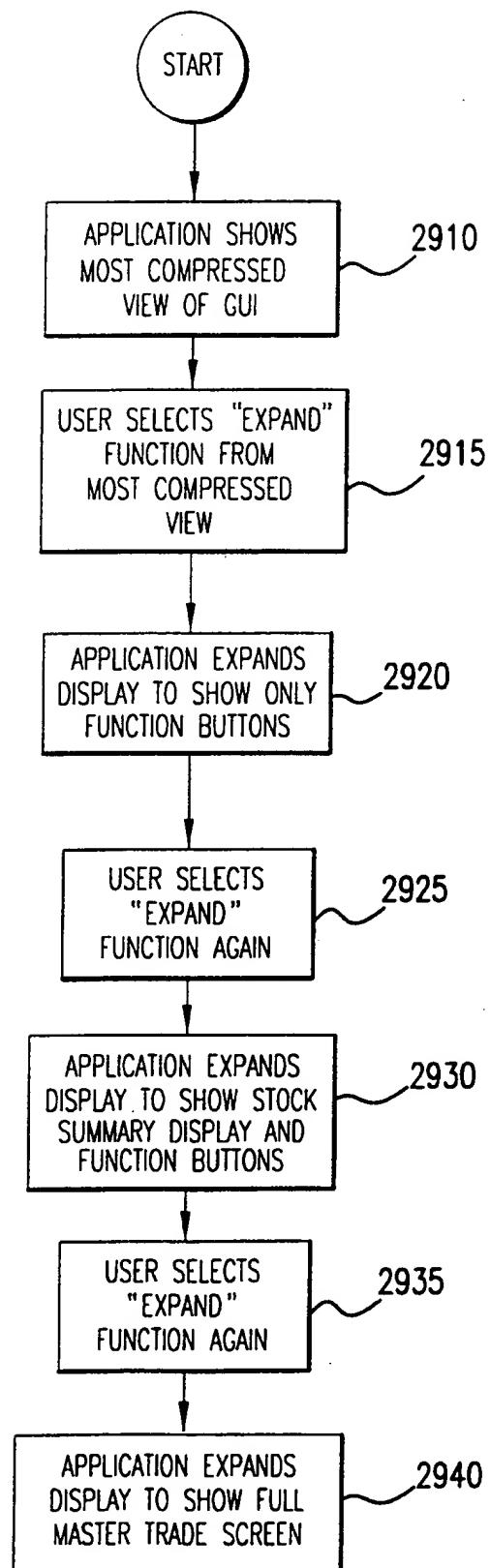


FIG.29

SUBSTITUTE SHEET (RULE 26)

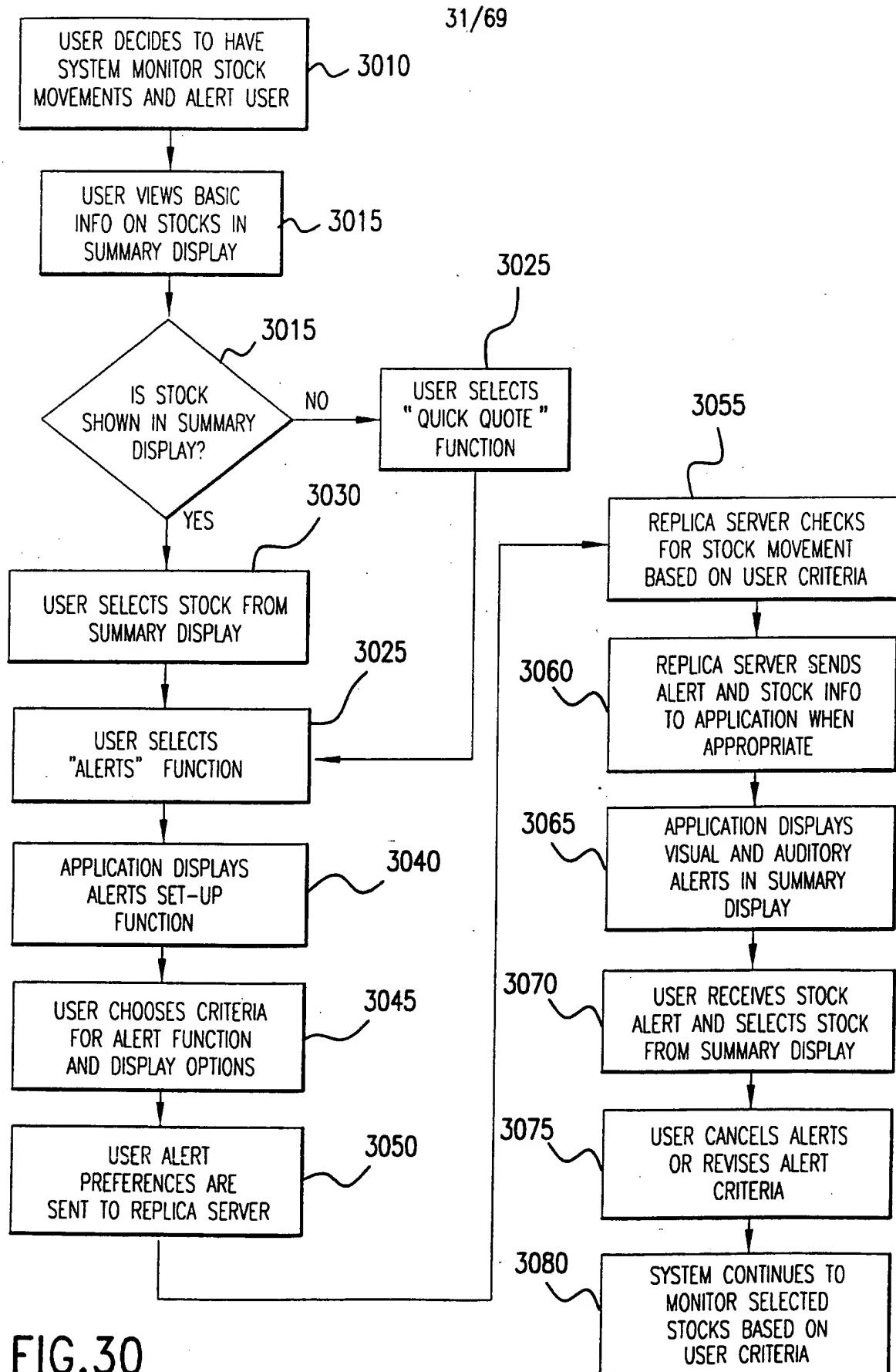
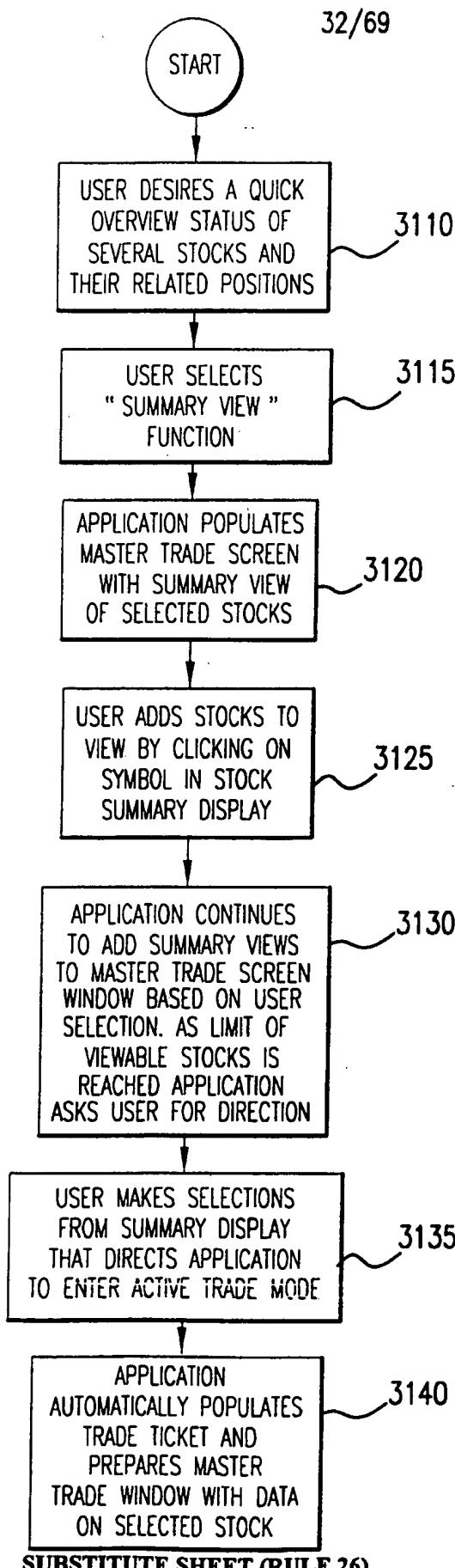


FIG.30



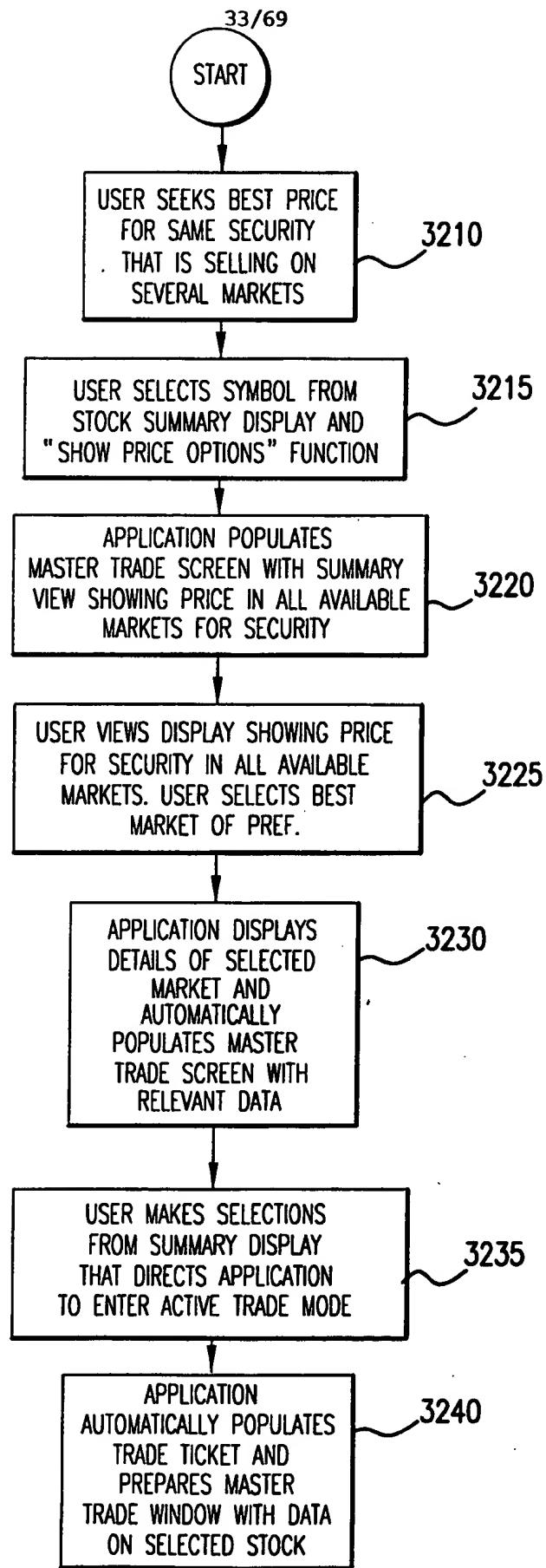


FIG.32

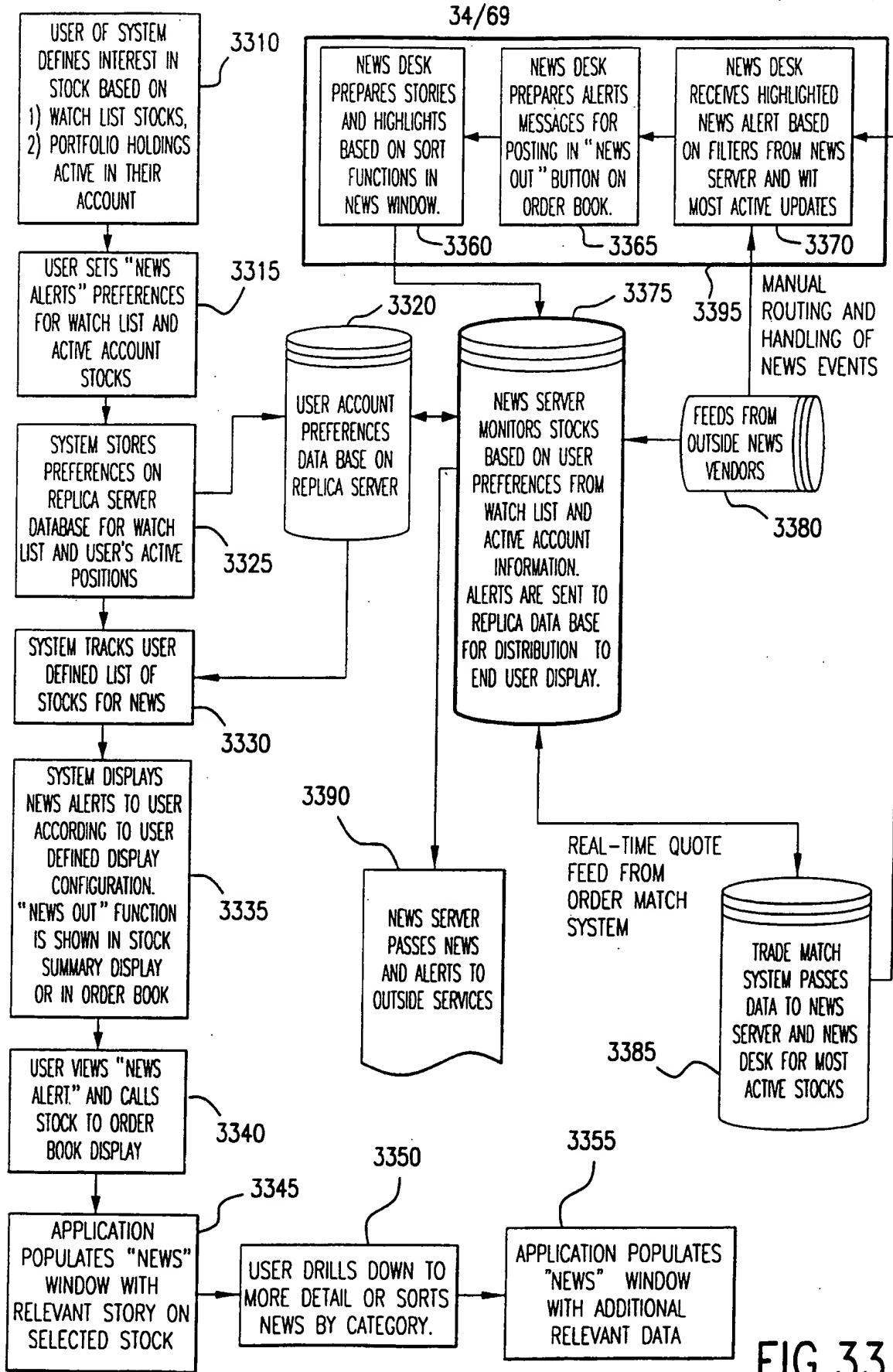


FIG.33

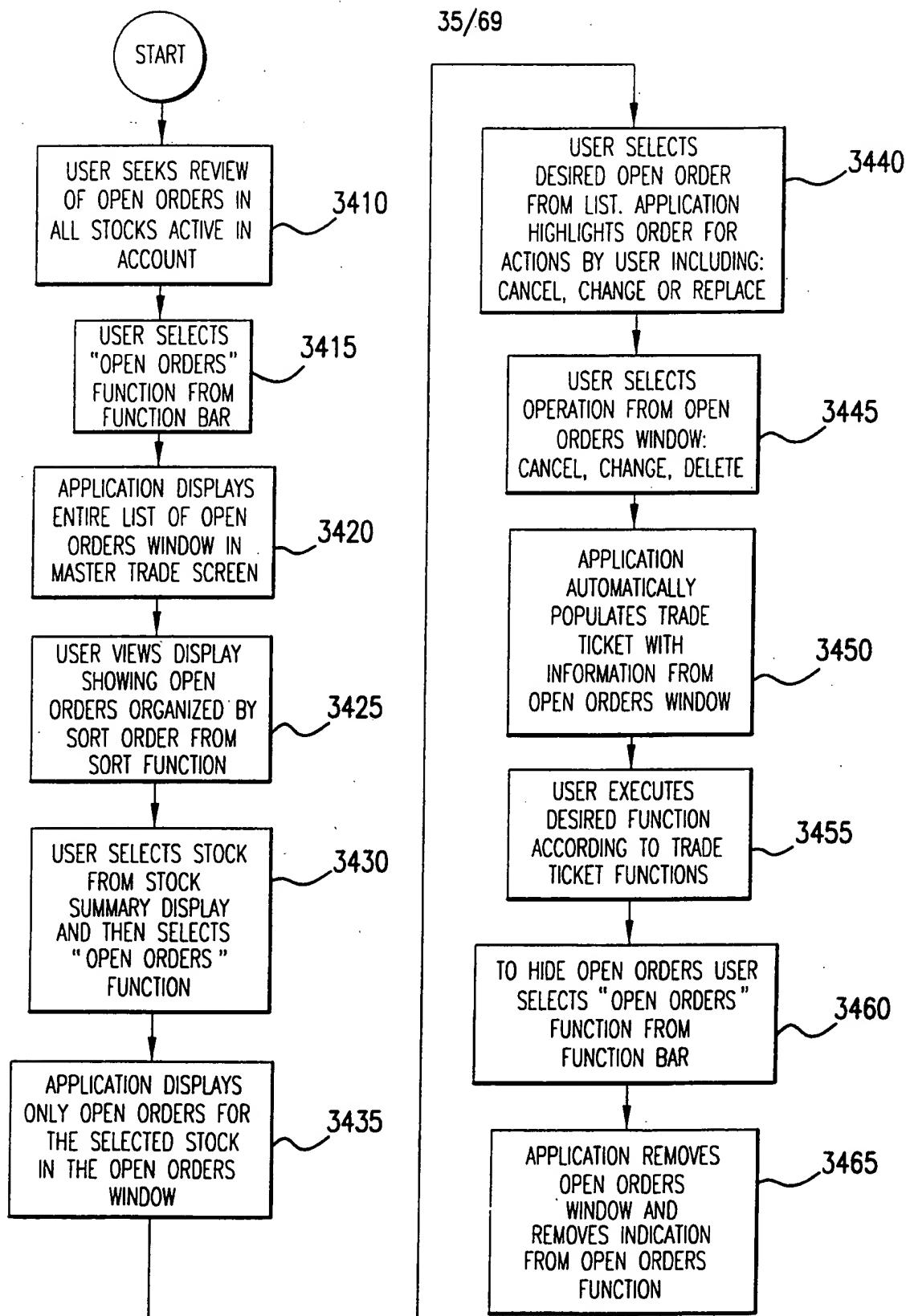


FIG.34

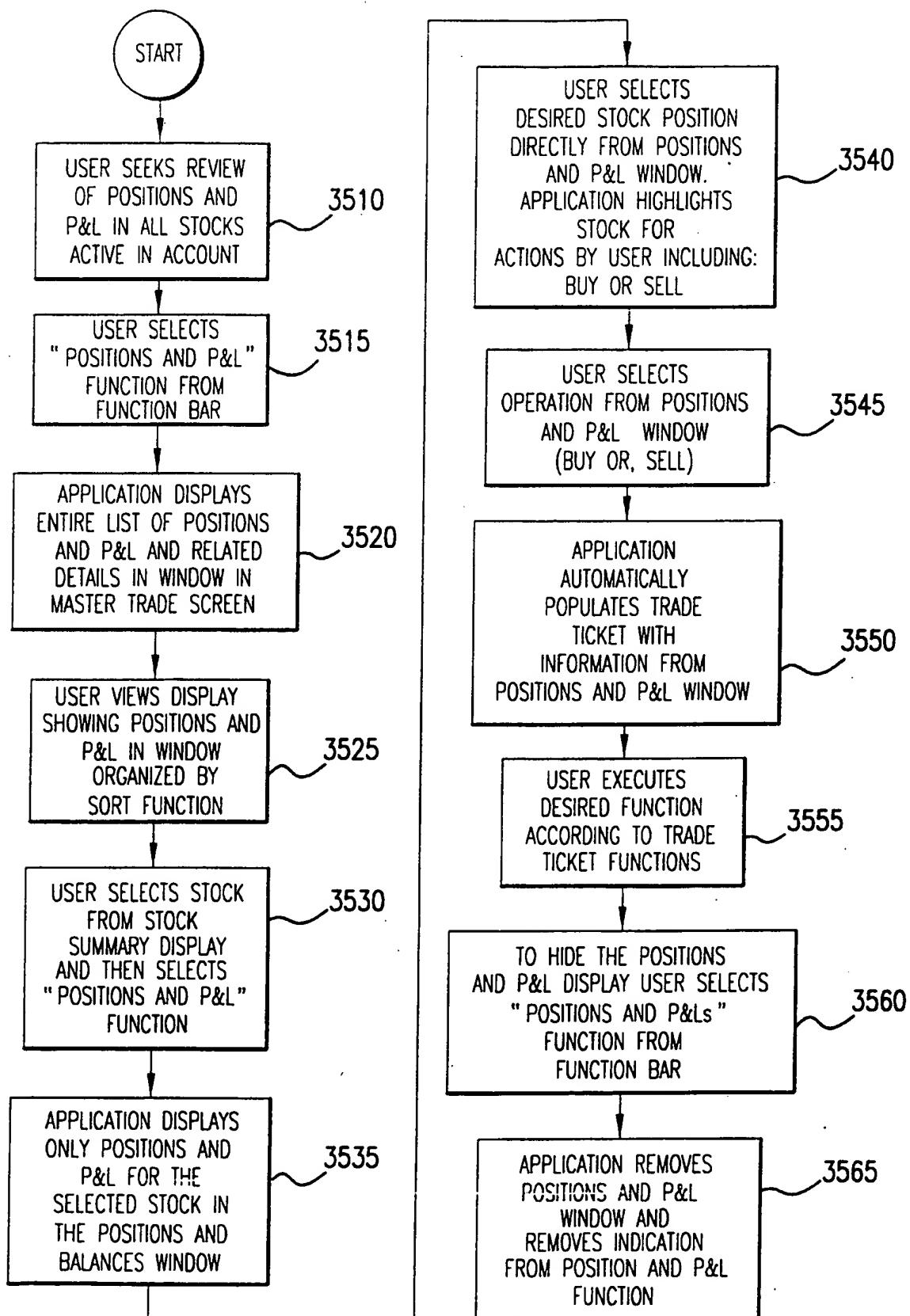
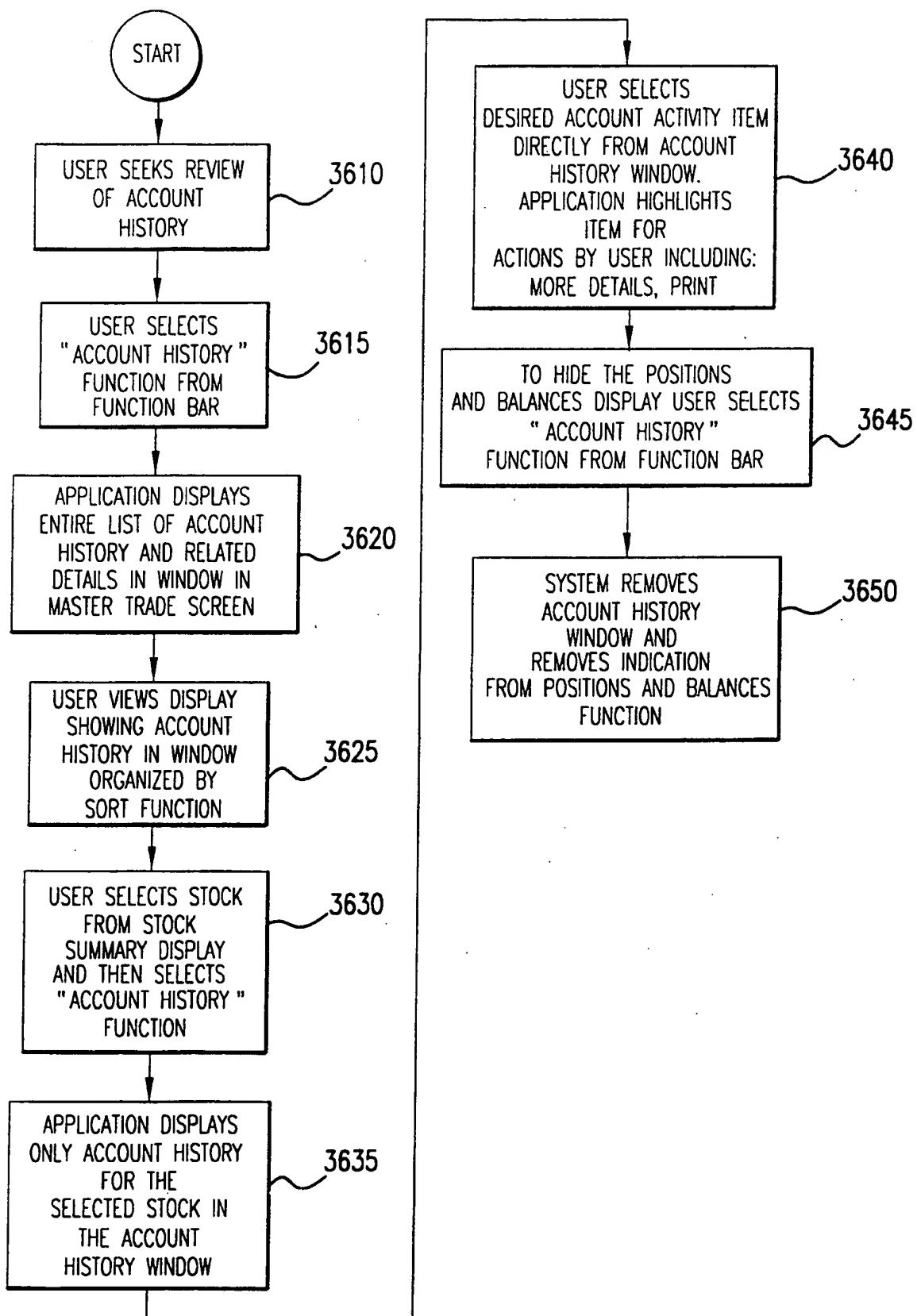


FIG.35  
SUBSTITUTE SHEET (RULE 26)



**FIG.36**  
SUBSTITUTE SHEET (RULE 26)

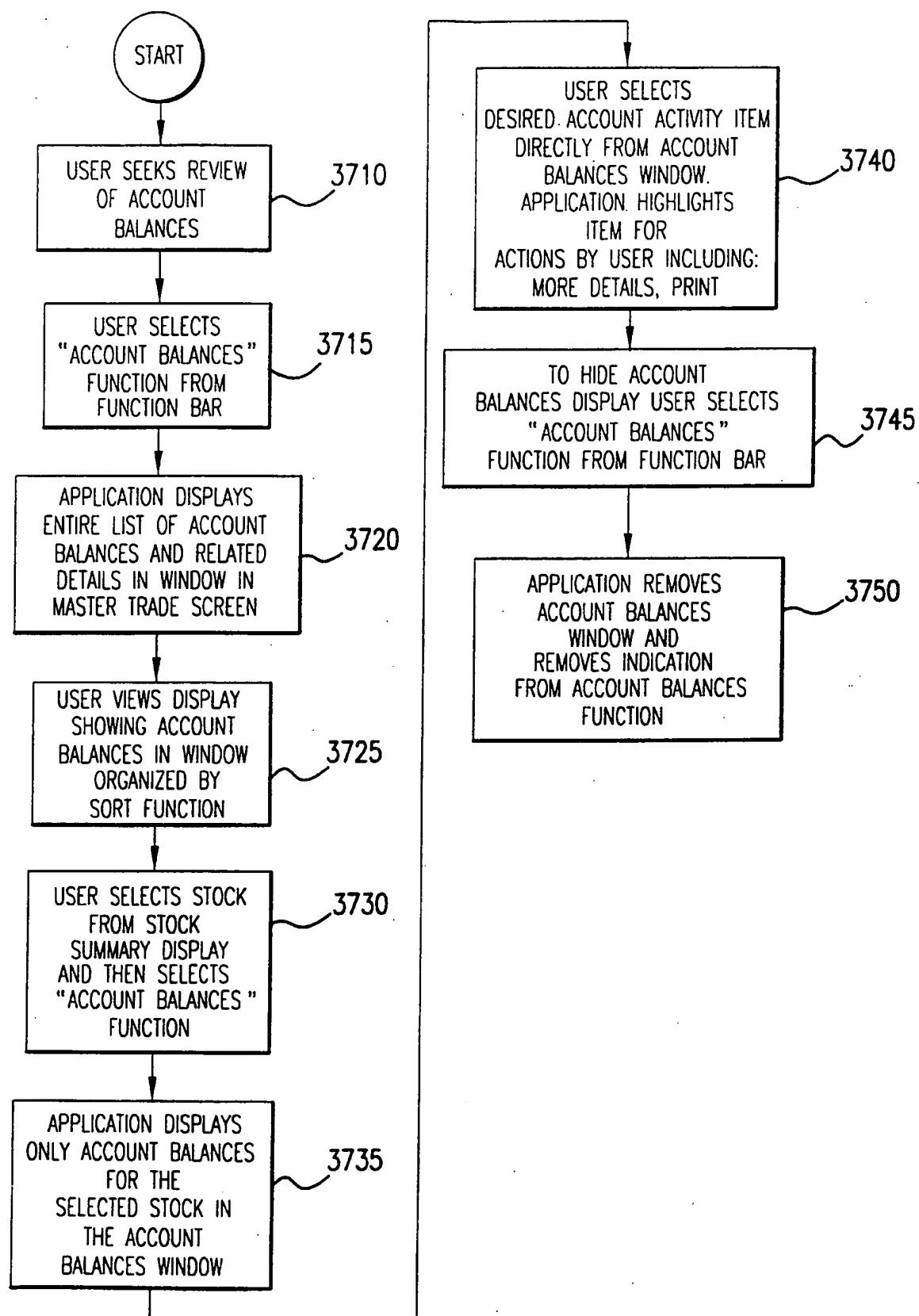


FIG.37  
SUBSTITUTE SHEET (RULE 26)

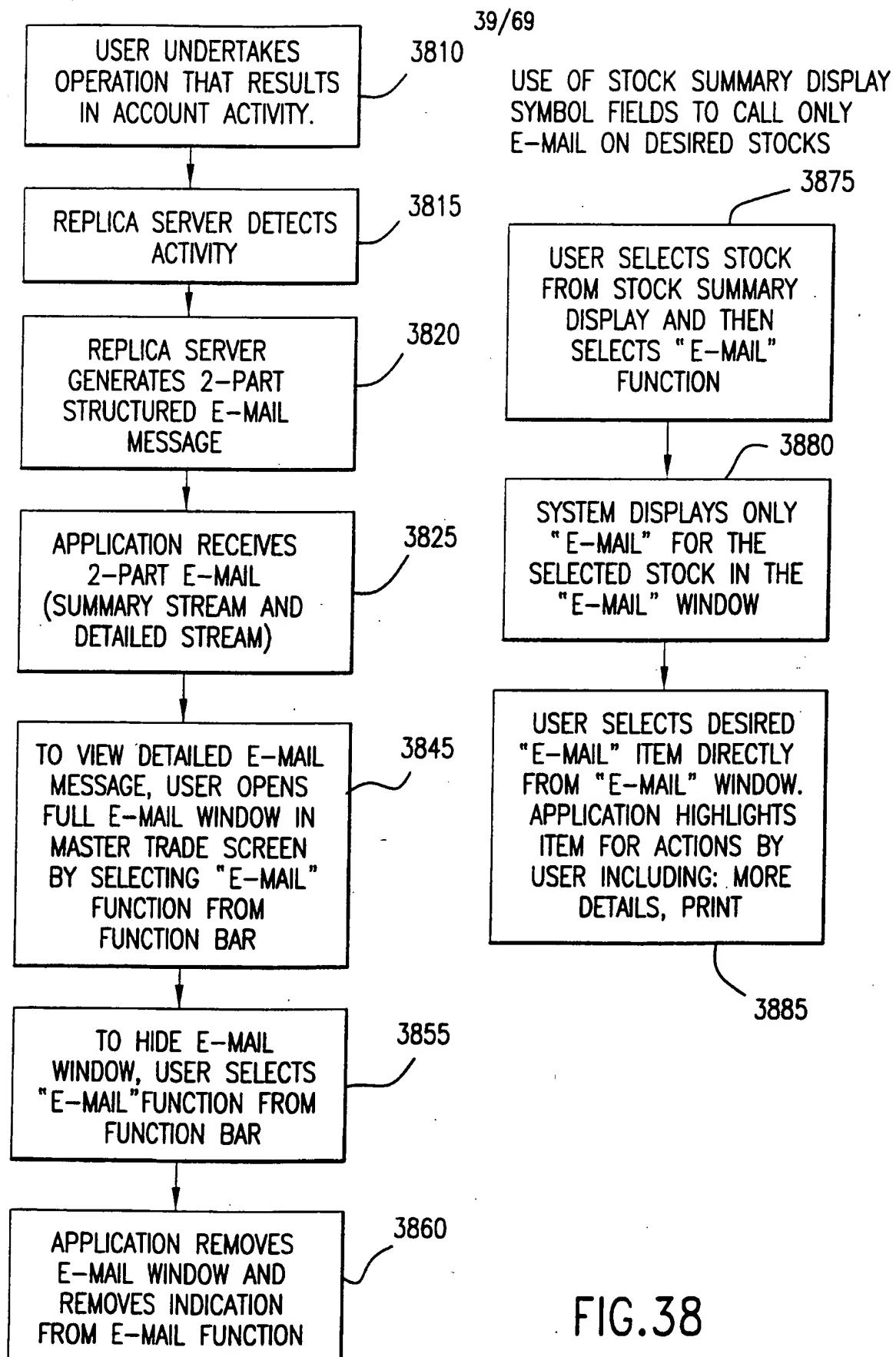


FIG.38

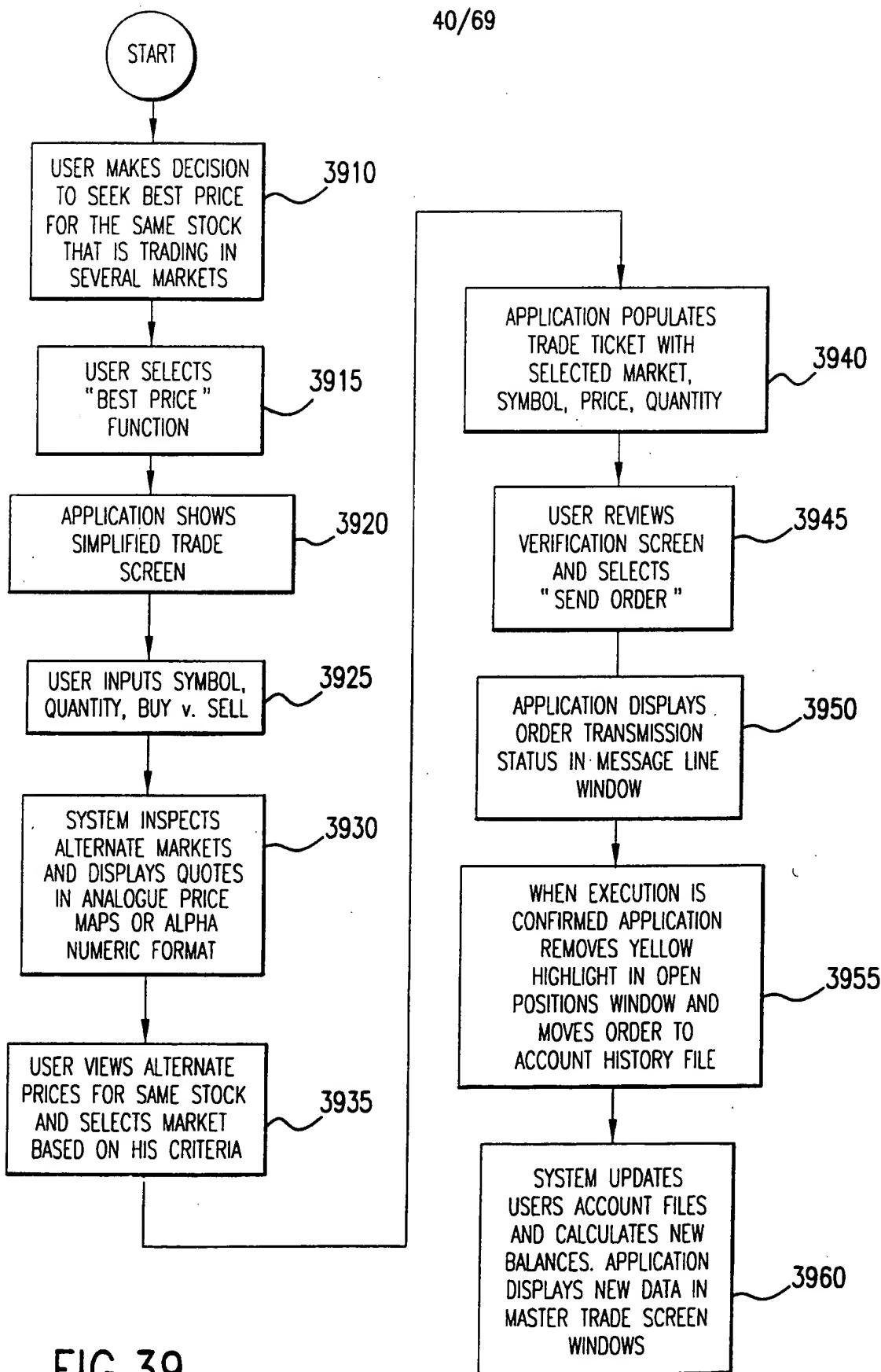


FIG.39

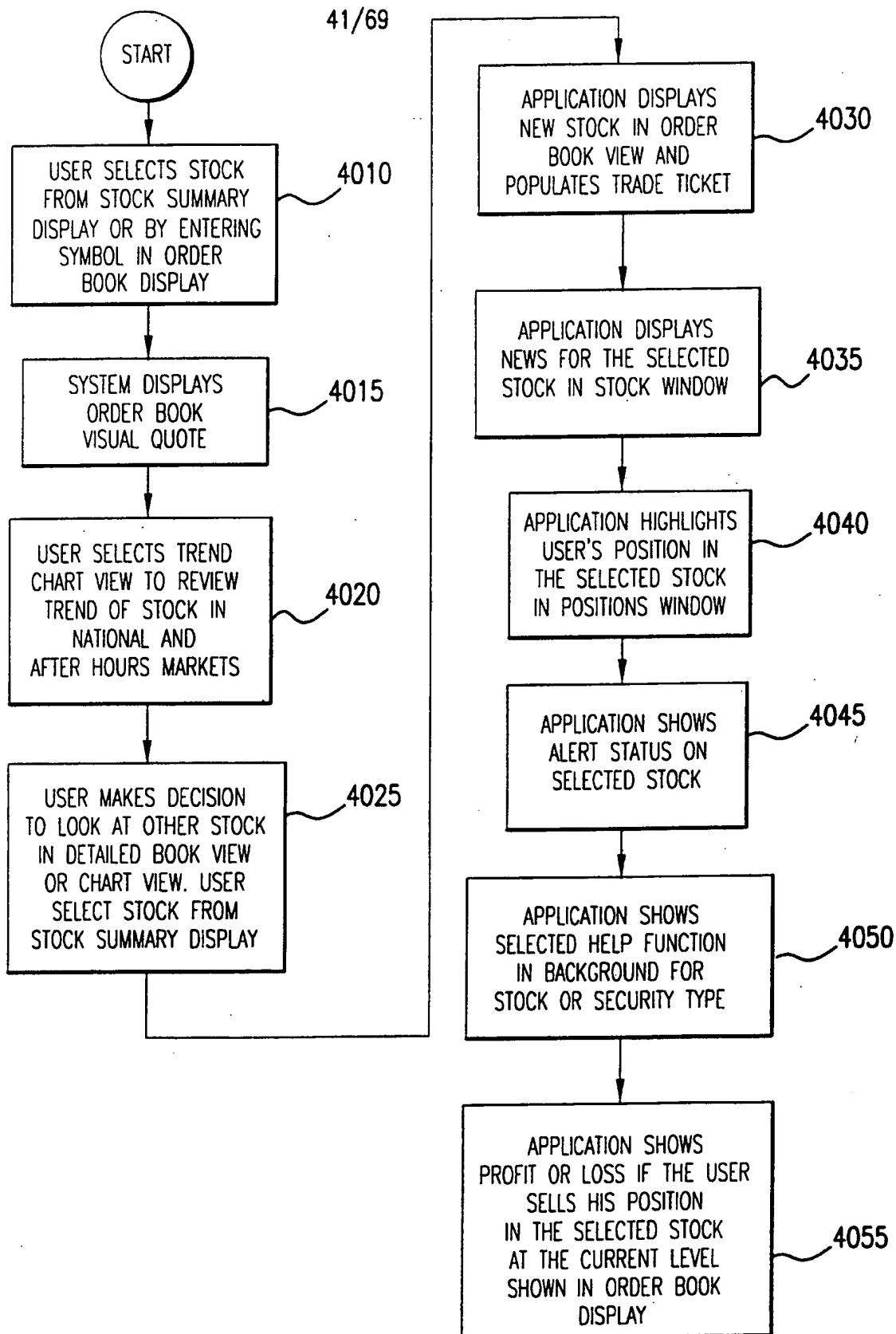


FIG.40

## NEGOTIATION DEFAULT SETUP SCREEN

ENTER THE DEFAULT VALUES FOR LIMITING NEGOTIATIONS FROM OTHER TRADERS

PLEASE NOTE THAT THE VALUES YOU ENTER IN THE DEFAULT SETTINGS WILL HAVE A SIGNIFICANT EFFECT ON THE INCOMING ORDERS YOU RECEIVE FROM OTHER TRADERS. THE VALUES YOU ENTER ARE DEFAULTS WHICH CAN BE OVERRIDDEN AT ANY TIME BY SIMPLY TYPING OVER THE DEFAULTS IN THE NEGOTIATIONS SCREEN.

- 1 WHAT PRICE ABOVE AND BELOW YOUR LIMIT PRICE ARE YOU WILLING TO NEGOTIATE?  
ENTER PRICE INCREMENT HERE IN 1/16  4105
- 2 WHAT # OF SHARES BELOW AND ABOVE YOUR ORDER SIZE ARE YOU WILLING TO NEGOTIATE?  
ENTER NUMBER OF SHARES HERE  4110
- 3 WHAT WILL BE YOUR DEFAULT PREFERRED NEGOTIATION TIME?  
ENTER DESIRED INCREMENT HERE  4115
- 4 WHAT WILL BE THE LOWER TIME LIMIT YOU WILL ACCEPT?  
ENTER MINUTE INCREMENT HERE  4120

## SETTING THE DEFAULTS FOR EACH TIME YOU CLICK THE ADJUSTMENT BUTTONS

- 5 WHAT WILL THE INCREMENT BE FOR EACH CLICK OF SIZE CHANGE BUTTONS?  
ENTER SIZE INCREMENTS HERE  4125
- 6 WHAT WILL THE INCREMENT BE FOR EACH CLICK OF TIME CHANGE BUTTONS?  
ENTER SIZE INCREMENT HERE  4130
- 7 WHAT WILL THE INCREMENT BE FOR EACH CLICK OF PRICE CHANGE BUTTONS?  
ENTER SIZE INCREMENT HERE  4135
- 8 ON LIMIT ORDERS THAT YOU ENTER, DO YOU WANT TO HAVE THE SYSTEM ALLOW NEGOTIATIONS AS YOUR DEFAULT SETTINGS/  YES OR  NO

SEE ON-LINE HELP (FOR DETAILS CLICK HERE)

FIG.41

TRADERS AT A PRICE LEVEL		BEST OFFER		TIME		ACTIVITY		SORT		PREF.		HELP	
NAME	IBM: SELLERS	PRICE	QTY	52.438	52.375	52.313	52.25	52.25	52.25	52.25	52.25	SET DEFAULTS	P/L-BBO
FRED D	4255	52.5 (.187)	200 (20%)	200 (20%)	300 (10%)	4 MIN.(2)	2	0	\$10,500.00	\$15,750.00	\$15,750.00		
DAVE K	4255	52.5 (.25)	300 (10%)	300 (10%)	1000 (50%)	3 MIN. (1)	4			\$52,500.00	\$52,500.00		
LARRY 22	4255	52.5 (.5)	1000 (50%)	1000 (50%)	300 (5%)	8 MIN.(4)	2			\$15,750.00	\$15,750.00		
BETTY Y	4255	52.5 (.25)	300 (5%)	300 (5%)	100 (30%)	10 min.(3)	1			\$10,500.00	\$10,500.00		
BILL B	4255	52.5 (.062)	200 (30%)	200 (30%)	100 (5%)	20 MIN.(4)	0			\$5,250.00	\$5,250.00		
TERRY H	4255	52.5 (.25)	100 (5%)	100 (5%)	100 (5%)	6 MIN.(3)	4			\$10,500.00	\$10,500.00		
BILLY T	4255	52.5 (.187)	200 (40%)	200 (40%)	200 (40%)	6 MIN.(3)	4			\$10,500.00	\$10,500.00		
OUT-GOING NEGOTIATIONS													
LARRY 22	4280	SELL ORDER	52.1/2 (.5)	1000 (50%)	3 MIN. (1)	4-IBM				\$52,500.00			
RON-3	4285	COUNTER 1											
IN-COMING NEGOTIATIONS													
4210		4212		4240		4245		4250		4255		4260	
CANCEL	BROADCAST	PRICE UP	PRICE DOWN	PRICE UP	PRICE DOWN	TIME UP	TIME DOWN	ACCEPT	REJECT	DELETE	SEND	4214	4216
4222		4222		4232		4244		4252		4262		4260	

FIG. 42

VISUAL QUOTE AND ORDER BOOK DISPLAY							PREF.	HELP																																																																																																																																																																																																						
IBM INTERNATIONAL BUSINESS MACHINES							S	MORE INFO.																																																																																																																																																																																																						
BUY SIDE			PRICE IN 1/16		SELL SIDE		55	DAY																																																																																																																																																																																																						
YOUR ORDERS	AON QTY.	LIMIT QTY.	DECIMALS	LIMIT QTY.	AON QTY.	YOUR ORDERS		NITE																																																																																																																																																																																																						
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			52.25	1284																																																																																																																																																																																																										
			52.1875	6000			50																																																																																																																																																																																																							
			52.125																																																																																																																																																																																																											
			52.0625																																																																																																																																																																																																											
	1000	200	52				YOUR POS. \$ 39.00																																																																																																																																																																																																							
VOL	HI	LOW	LAST NITE	CHNG.NITE	LAST DAY	CHNG.DAY	P&L \$4,508																																																																																																																																																																																																							
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ORDER BK.	CHART	MOST ACTIVE	SHOW NEWS	NEWS OUT	DAY MKT	NITE MKT	PRICE MAP SCALE																																																																																																																																																																																																							
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FIG.43A  
SUBSTITUTE SHEET (RULE 26)

4200																																																																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4">TRADERS AT A PRICE LEVEL</th> <th>SORT</th> <th>PREF.</th> <th>HELP</th> </tr> <tr> <th>IBM: SELLERS</th> <th>BEST OFFER</th> <th>52.438</th> <th>52.375</th> <th>52.313</th> <th>52.25</th> <th>SET DEFAULTS</th> </tr> <tr> <th>NAME</th> <th>PRICE</th> <th>QTY</th> <th>TIME</th> <th>ACTMTRY</th> <th>TOTAL \$</th> <th>P/L-BBO</th> </tr> </thead> <tbody> <tr> <td>FRED D</td> <td>52.5 (.187)</td> <td>200 (20%)</td> <td>6 MIN. (1)</td> <td>0</td> <td>\$10,500.00</td> <td><input type="checkbox"/></td> </tr> <tr> <td>DAVE K</td> <td>52.5 (.25)</td> <td>300 (10%)</td> <td>4 MIN.(2)</td> <td>2</td> <td>\$15,750.00</td> <td></td> </tr> <tr> <td>LARRY 22</td> <td>52.5 (.5)</td> <td>1000 (50%)</td> <td>3 MIN. (1)</td> <td>4</td> <td>\$52,500.00</td> <td></td> </tr> <tr> <td>BETTY Y</td> <td>52.5 (.25)</td> <td>300 (5%)</td> <td>.8 MIN.(4)</td> <td>2</td> <td>\$15,750.00</td> <td></td> </tr> <tr> <td>BILL B</td> <td>52.5 (.062)</td> <td>200 (30%)</td> <td>10 min.(3)</td> <td>1</td> <td>\$10,500.00</td> <td></td> </tr> <tr> <td>TERRY H</td> <td>52.5 (.25)</td> <td>100 (5%)</td> <td>20 MIN.(4)</td> <td>0</td> <td>\$5,250.00</td> <td></td> </tr> <tr> <td>BILLY T</td> <td>52.5 (.187)</td> <td>200 (40%)</td> <td>6 MIN.(3)</td> <td>4</td> <td>\$10,500.00</td> <td></td> </tr> </tbody> </table>							TRADERS AT A PRICE LEVEL				SORT	PREF.	HELP	IBM: SELLERS	BEST OFFER	52.438	52.375	52.313	52.25	SET DEFAULTS	NAME	PRICE	QTY	TIME	ACTMTRY	TOTAL \$	P/L-BBO	FRED D	52.5 (.187)	200 (20%)	6 MIN. (1)	0	\$10,500.00	<input type="checkbox"/>	DAVE K	52.5 (.25)	300 (10%)	4 MIN.(2)	2	\$15,750.00		LARRY 22	52.5 (.5)	1000 (50%)	3 MIN. (1)	4	\$52,500.00		BETTY Y	52.5 (.25)	300 (5%)	.8 MIN.(4)	2	\$15,750.00		BILL B	52.5 (.062)	200 (30%)	10 min.(3)	1	\$10,500.00		TERRY H	52.5 (.25)	100 (5%)	20 MIN.(4)	0	\$5,250.00		BILLY T	52.5 (.187)	200 (40%)	6 MIN.(3)	4	\$10,500.00	
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<input style="margin-right: 10px;" type="button" value="FIND"/> <input style="margin-right: 10px;" type="button" value="ACTION ▼"/> <input style="margin-right: 10px;" type="button" value="STOCK"/> <input style="margin-right: 10px;" type="button" value="TRADER"/> <input style="margin-right: 10px;" type="button" value="TRADER LIST ▼"/> <input style="margin-right: 10px;" type="button" value="ADD"/> <input type="button" value="DELETE"/>																																																																												
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NYSE																																																																												
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WIT NEWS		ACCOUNTS		ALERTS		SHRINK																																																																						

**FIG. 43B**  
SUBSTITUTE SHEET (RULE 26)

46/69

TRADERS AT A PRICE LEVEL		BEST OFFER		TIME		ACTIVITY		TOTAL \$		P/L-BBO	
NAME	PRICE	QTY									
FRED D	52.5 (.187)	200 (20%)		6 MIN. (1)		0				\$10,500.00	
DAVE K	52.5 (.25)	300 (10%)		4 MIN.(2)		2				\$15,750.00	
LARRY 22	52.5 (.5)	1000 (50%)		3 MIN. (1)		4				\$52,500.00	
BETTY Y	52.5 (.25)	300 (5%)		8 MIN.(4)		2				\$15,750.00	
BILL B	52.5 (.062)	200 (30%)		10 min.(3)		1				\$10,500.00	
TERRY H	52.5 (.25)	100 (5%)		20 MIN.(4)		0				\$5,250.00	
BILLY T	52.5 (.187)	200 (40%)		6 MIN.(3)		4				\$10,500.00	

## OUT-GOING NEGOTIATIONS

LARRY 22	SELL ORDER	52.1/2 (.5)	1000 (50%)	3 MIN. (1)	4-IBM						
RON-3	COUNTER 1	52.1/2 (.5)	1000 (50%)	3 MIN. (1)							

4415  
4405

4240      4245      4430      4425

## IN-COMING NEGOTIATIONS

4410	4420	4250									
CANCEL	BROADCAST	PRICE UP	QTY UP	TIME UP	ACCEPT	REJECT	SEND				
		PRICE DOWN	QTY DOWN	TIME DOWN							

FIND  ACTION  STOCK  TRADER  TRADER LIST  ADD  DELETE

FIG. 44

47/69

TRADERS AT A PRICE LEVEL		BEST OFFER		52.438	52.375	52.313	SORT	PREF.	HELP
NAME	PRICE	QTY	TIME	ACTIVITY			TOTAL \$	SET DEFAULTS	
FRED D	52.5 (.187)	200 (20%)	6 MIN. (1)	0			\$10,500.00		<input type="checkbox"/>
DAVE K	52.5 (.25)	300 (10%)	4 MIN.(2)	2			\$15,750.00		<input type="checkbox"/>
LARRY 22	52.5 (.5)	1000 (50%)	3 MIN. (1)	4			\$52,500.00		<input type="checkbox"/>
BETTY Y	52.5 (.25)	300 (5%)	8 MIN.(4)	2			\$15,750.00		<input type="checkbox"/>
BILL B	52.5 (.062)	200 (30%)	10 MIN.(5)	1			\$10,500.00		<input type="checkbox"/>
TERRY H	52.5 (.25)	100 (5%)	20 MIN.(4)	0			\$5,250.00		<input type="checkbox"/>
BILLY T	52.5 (.187)	200 (40%)	6 MIN.(3)	4			\$10,500.00		<input type="checkbox"/>

## OUT-GOING NEGOTIATIONS

LARRY 22	SELL ORDER	52.1/2 (.5)	1000 (50%)	3 MIN. (1)	4-BM	\$52,500.00	
RON-3	COUNTER 1	52	500	2 MIN.		\$26,000.00	93.50

4520

LARRY 22	SELL ORDER	52.1/2 (.5)	1000 (50%)	3 MIN. (1)	4-BM	\$52,500.00	
RON-3	COUNTER 1	52	500	2 MIN.		\$26,000.00	93.50

4520

CANCEL	BROADCAST	PRICE UP	QTY UP	TIME UP	ACCEPT	REJECT	SEND
		PRICE DOWN	QTY DOWN	TIME DOWN			
FIND	ACTION <input type="checkbox"/>	STOCK	TRADER				

FIG. 45

48/69

TRADERS AT A PRICE LEVEL				SORT			PREF.	HELP
IBM: SELLERS	BEST OFFER	52.438	52.375	52.313	52.25		SET DEFAULTS	P/L-B80
NAME	PRICE	QTY	TIME	ACTIVITY	TOTAL	\$		
FRED D	52.5 (.187)	200 (20%)	6 MIN. (1)	0		\$10,500.00		<input type="checkbox"/>
DAVE K	52.5 (25)	300 (10%)	4 MIN.(2)	2		\$15,750.00		
LARRY 22	52.5 (5)	1000 (50%)	3 MIN. (1)	4		\$52,500.00		
BETTY Y	52.5 (25)	300 (5%)	8 MIN.(4)	2		\$15,750.00		
BILL B	52.5 (.062)	200 (30%)	10 min.(3)	1		\$10,500.00		
TERRY H	52.5 (25)	100 (5%)	20 MIN.(4)	0		\$5,250.00		
BILLY T	52.5 (.187)	200 (40%)	6 MIN.(3)	4		\$10,500.00		

OUT-GOING NEGOTIATIONS						
LARRY 22	SELL ORDER	52.1/2 (.5)	1000 (50%)	3 MIN. (1)	4-IBM	\$52,500.00
RON-3	COUNTER 1	52	500	2 MIN.	2	\$26,000.00
LARRY 22	COUNTER 2	52.25	800	1 MIN.)	4	\$41,800.00
						4640
4615	4620	4625				4630

IN-COMING NEGOTIATIONS						
ACTION		STOCK		TRADE LIST		
FIND	SEARCH	TRADE	LIST	ADD	DELETE	SEND
CANCEL	BROADCAST	PRICE UP	QTY UP	TIME UP	ACCEPT	REJECT
		PRICE DOWN	QTY DOWN	TIME DOWN		

4610

FIG. 46

49/69

TRADERS AT A PRICE LEVEL				SORT	PREF.	HELP
IBM: SELLERS	BEST OFFER	52.438	52.375	52.313	52.25	SET DEFAULTS
NAME	PRICE	QTY	TIME	ACTIVITY	TOTAL \$	P/L-BBO
FRED D	52.5 (.187)	200 (20%)	6 MIN. (1)	0	\$10,500.00	<input type="checkbox"/>
DAVE K	52.5 (.25)	300 (10%)	4 MIN.(2)	2	\$15,750.00	
LARRY 22	52.5 (.5)	1000 (50%)	3 MIN. (1)	4	\$52,500.00	
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BILLY T	52.5 (.187)	200 (40%)	6 MIN.(3)	4	\$10,500.00	

LARRY 22	SELL ORDER	52.1/2 (.5)	1000 (50%)	3 MIN. (1)	4-IBM	\$52,500.00
RON-3	COUNTER 1	52	500	2 MIN.	2	\$26,000.00
LARRY 22	COUNTER 2	52.25	800	1 MIN.	4	\$41,800.00

IN-COMING NEGOTIATIONS						
CANCEL	BROADCAST	PRICE UP	QTY UP	TIME UP	ACCEPT	REJECT
4710	RON-3	BUY ORDER	152.1/2 (.5)	2000 (50%)	10 MIN. (2)	2-T
4720	FRED 4U	COUNTER 1	152	1000	2 MIN.	3
4210		COUNTER 2				4

4725

4750

FIG. 47

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TRADERS AT A PRICE LEVEL		BEST OFFER		52.438		52.375		52.313		52.25		PREF.		HELP	
IBIN: SELLERS		PRICE		QTY		TIME		ACTIVITY		TOTAL \$		SET DEFAULTS		P/L-B&B	
NAME		NAME		NAME		NAME		NAME		NAME		NAME		NAME	
FRED D		52.5	(.187)	200	(20%)	6	MIN.	(1)	0	\$10,500.00					
DAVE K		52.5	(.25)	300	(10%)	4	MIN.	(2)	2	\$15,750.00					
LARRY 22		52.5	(.5)	1000	(50%)	3	MIN.	(1)	4	\$52,500.00					
BETTY Y		52.5	(.25)	300	(5%)	8	MIN.	(4)	2	\$15,750.00					
BILL B		52.5	(.062)	200	(30%)	10	MIN.	(3)	1	\$10,500.00					
TERRY H		52.5	(.25)	100	(5%)	20	MIN.	(4)	0	\$5,250.00					
BILLY T		52.5	(.187)	200	(40%)	6	MIN.	(3)	4	\$10,876.00					

4810

OUT-GOING NEGOTIATIONS					
LARRY 22	SELL ORDER	52.1/2 (.5)	1000 (50%)	3 MIN. (1)	4-IBM
RON-3	COUNTER 1	52	500	2 MIN.	2
LARRY 22	COUNTER 2	52.25	800	1 MIN.	4

4820

IN-COMING NEGOTIATIONS						
RON-3	BUY ORDER	152.1/2 (.5)	2000 (50%)	10 MIN. (2)	2-T	\$305,000.00 (1,567)
FFREDO 4U	COUNTER 1	152	1000	2 MIN.	3	\$152,000.00
	COUNTER 2					
RON-3	BUY ORDER	189.1/4 (25)	500 (25%)	5 MIN. (2)	1-YH00	\$94,625.00 (125.00)
DAVID44	COUNTER 1	152	500	1 MIN.	1	\$94,500.00
	COUNTER 2					

4830

ACTION		STOCK	TRADER	TRADER LIST	ADD	DELETE
CANCEL	BROADCAST	PRICE UP	QTY UP	TIME UP	ACCEPT	REJECT
		PRICE DOWN	QTY DOWN	TIME DOWN		SEND

FIG. 48

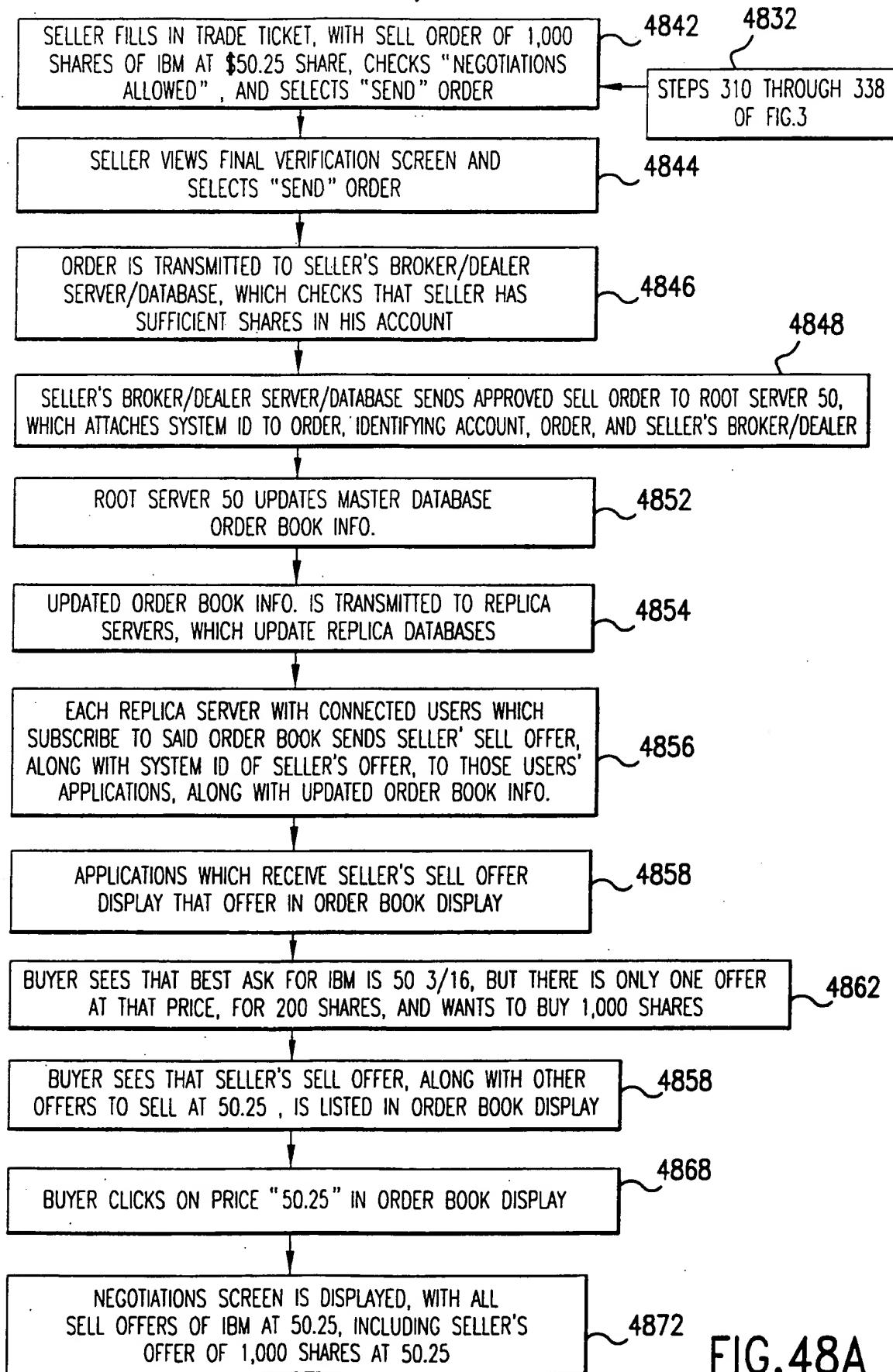


FIG.48A

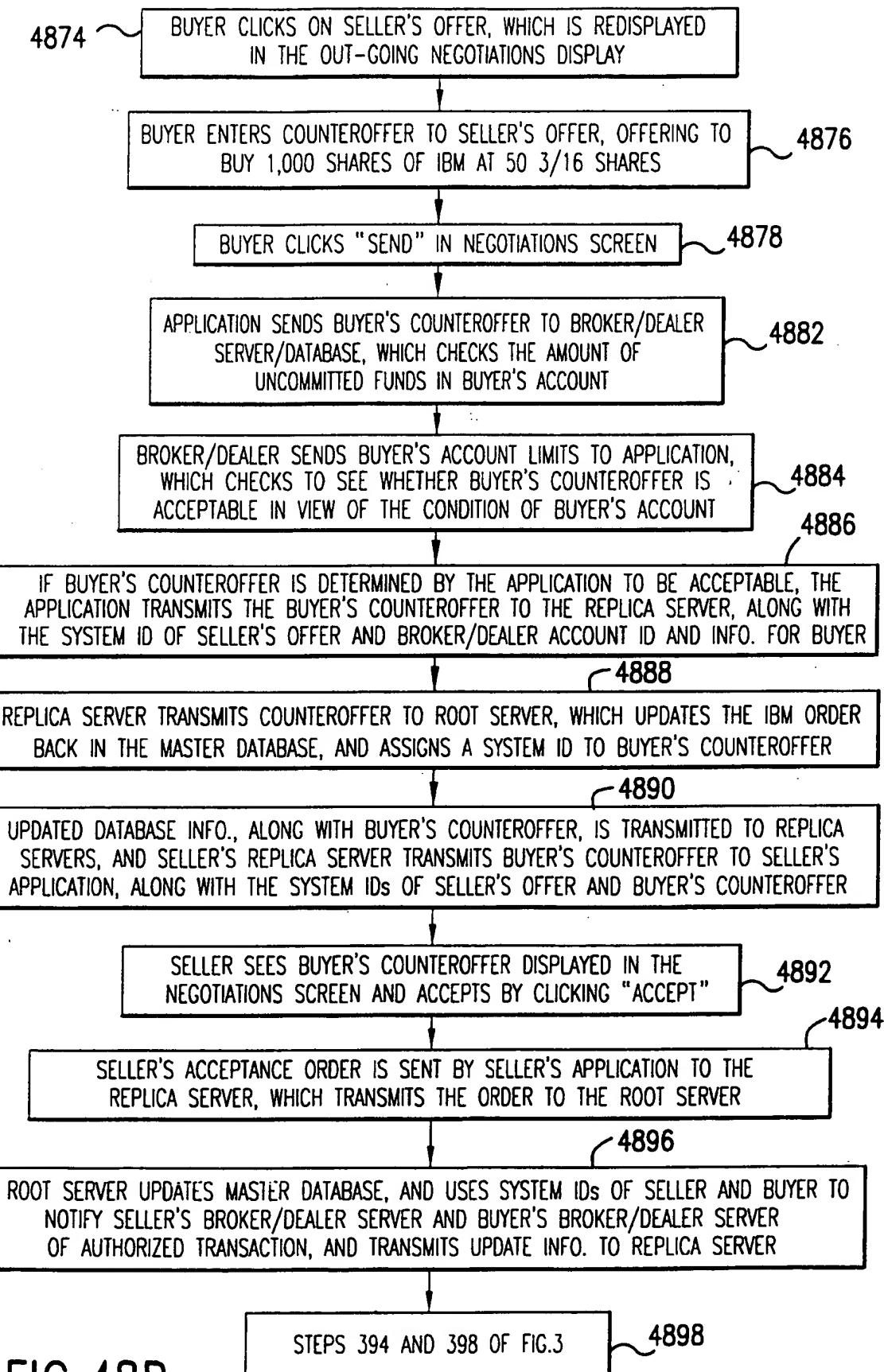
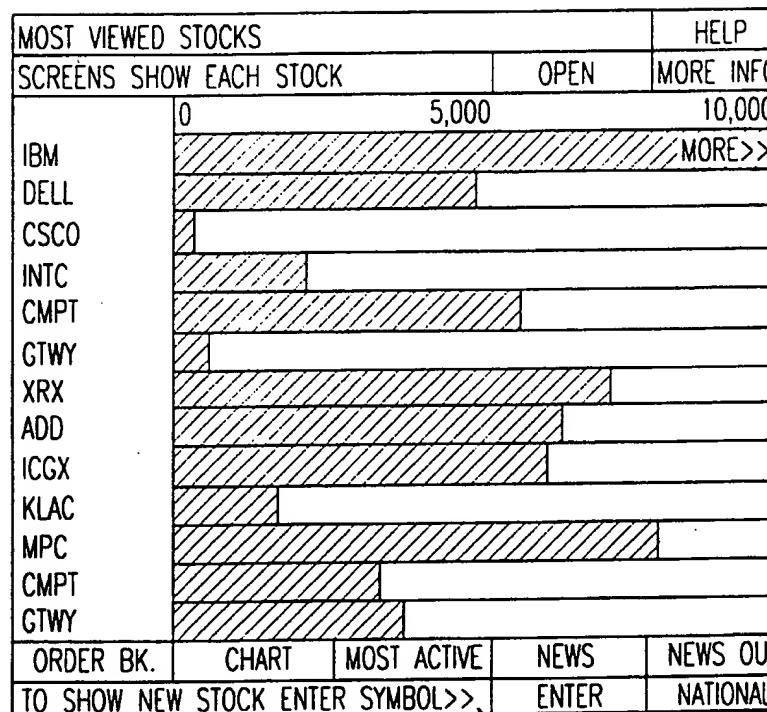


FIG.48B

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4910

4920

FIG. 49

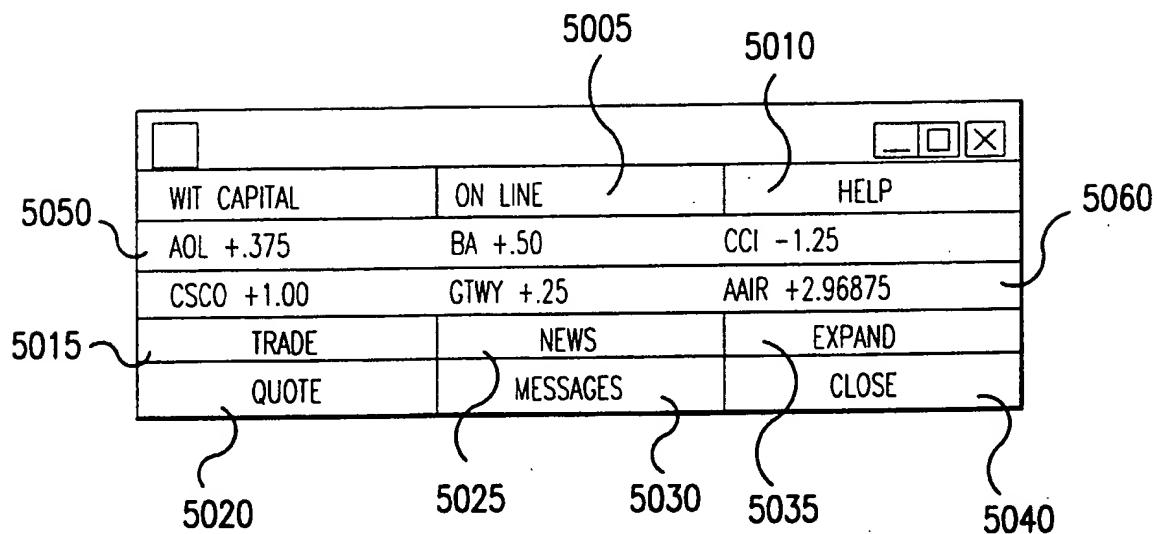


FIG. 50

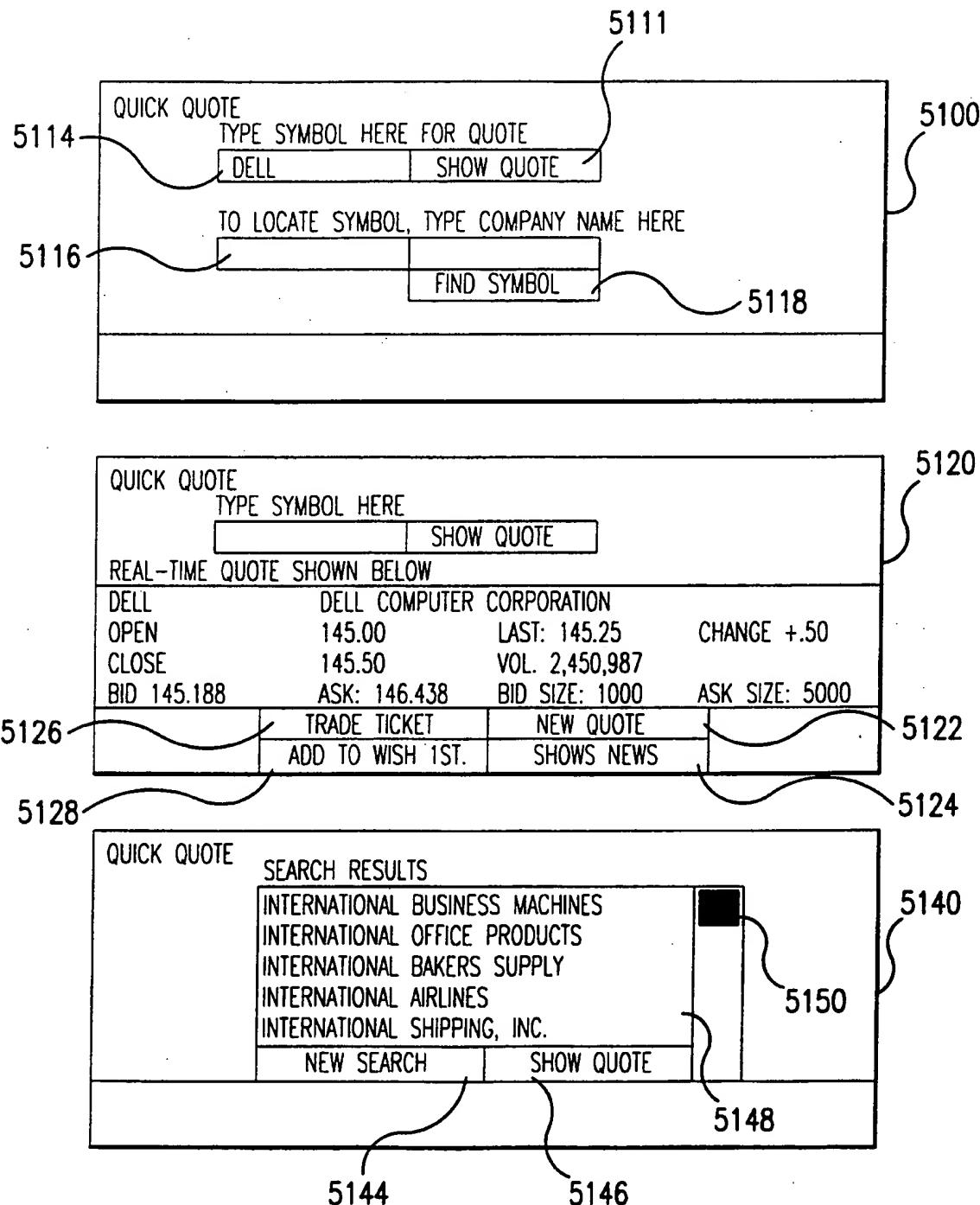


FIG. 51

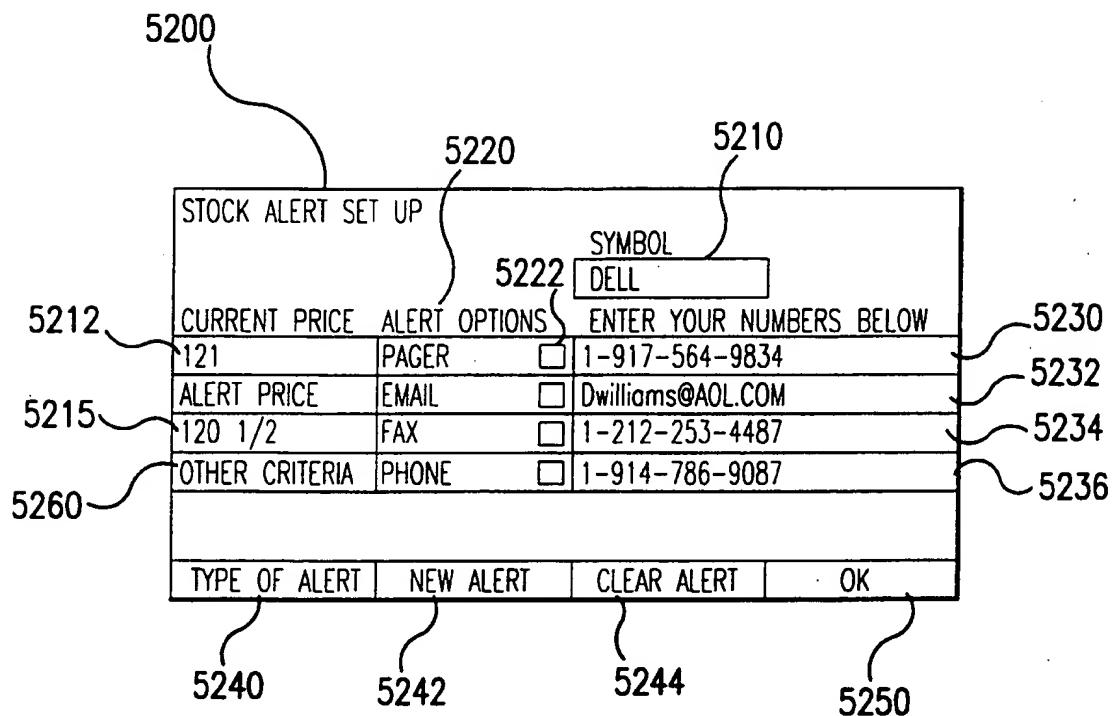


FIG. 52

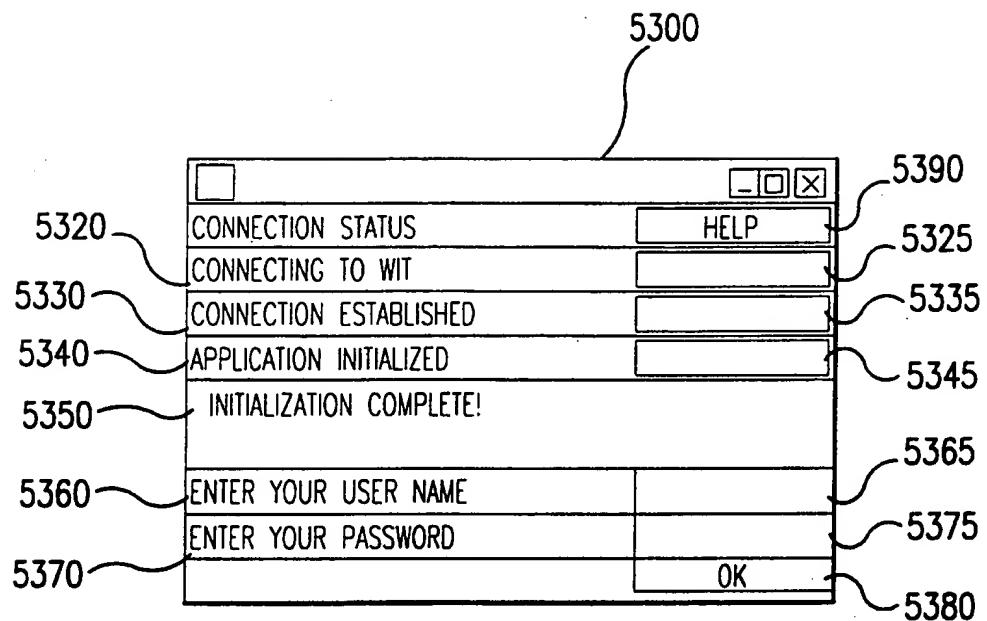


FIG. 53

	BUY	PRICE 1/16	SELL		AON QTY.
AON QTY.	LIMIT QTY.	DECIMALS	LIMIT QTY.		
		147.188	10		148
		147.125			147
		147.063	543		146
		147			145
		146.938	578		
		146.875	4474		
		146.8125	4376		
9000		3.875	7500		
	342	143.813			
	10	143.75			
	55	143.688			
		143.625			
	25	143.562			
	10	143.5			
	5	143.438			
	5	143.375			
	5	143.313			

FIG. 54

BACK	FORWARD	HOME	BOOKMARKS	FIND	STOP	OTHER FUNCTIONS		HELP
SEARCH								
YOUR EMAIL <input type="button" value="CHECK MAIL"/> <input type="button" value="NEW MESSAGE"/> <input type="button" value="DELETE MESSAGE"/> <input type="button" value="IN BOX OUT BOX"/> <input type="button" value="OTHER FUNCTIONS"/>								
<p>•EXECUTION: YOU PURCHASED 100 SHARES OF IBM AT 144.5 @ 7:34PM EST        •WE HAVE RECEIVED YOUR NEW MAILING ADDRESS. THANK YOU!</p> <p>•DSM NOW OFFERS MUTUAL FUNDS PURCHASES IN AFTER HOURS MARKET</p> <p>•EXECUTION: YOU PURCHASED 500 SHARES OF DELL COMPUTER AT 96.875 @ 7:55PM EST        •CANCELLATION: YOU CANCELED AN ORDER FOR 100 SHARES OF DELL AT 96.75 @ 7:59PM EST        •WE HAVE RECEIVED YOUR NEW MAILING ADDRESS. THANK YOU!</p> <p>•DSM NOW OFFERS MUTUAL FUNDS PURCHASES IN AFTER HOURS MARKET</p> <p>•WIT IPO FOR NEXT VISION OFFERING NOW POSTED FOR YOUR REVIEW: <a href="#">CLICK HERE</a></p> <p>•WIT IPO FOR RAINMAKER 2 A MAJOR SUCCESS</p> <p>•NYSE ANNOUNCES MOVE TO NEW BUILDING NEXT MONTH</p> <p>•EXECUTION: YOU SOLD 500 SHARES OF DELL AT 97.875 @ 8:46PM EST</p>								
<p>SHOW HELP <input type="button" value="SHOW EMAIL"/> <input type="button" value="SHOW NEWS"/> <input type="button" value="SORT EMAIL"/> CONFIRMATIONS</p>								

5510 5520

FIG. 55

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FINAL VERIFICATION			
BUY ORDER: DELL COMPUTER			
NATIONAL MARKET			
THIS IS FINAL VERIFICATION THAT YOU WISH TO EXECUTE THIS TRADE.			
PLEASE NOTE THE FINAL REAL-TIME QUOTE SHOWN BELOW.			
ACTION	QUANTITY	SYMBOL	PRICE TYPE
BUY	1000	DELL	STOP/LIMIT
LIMIT PRICE	STOP PRICE		REF. 4539
145.438	145.5	5670	
DURATION	CONDITION	ACCOUNT	ROUTE
DAY	AON	CASH	NATIONAL
REAL-TIME QUOTE SHOWN BELOW			
OPEN	145.00	LAST: 145.25	CHANGE +.50
CLOSE	5640	145.50	VOL.2,450,987
BID 145.188	ASK: 146.438	BID SIZE: 1000	ASK SIZE: 5000
YOUR CURRENT BUYING POWER IS:		5650	\$156,876.99
IF YOU EXECUTE THIS TRADE YOUR BALANCE WILL BE:		5620	\$136,876.54
IF YOU EXECUTE THIS TRADE YOUR COMMISSION WILL BE:			\$76.54
THE TOTAL COST INCLUDING COMMISSION WILL BE:			\$20,076.99
	SHOW DSM	CANCEL	SEND
	CLEAR	HIDE DETAILS	

FIG. 56

5630

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5710

HELP			
MORE INFO.			
148	1	2	3
147			
146			
145			
144			
143			

STOCK: DELL  
QUANTITY: 500  
BEST PRICE PLEASE  
MARKET 1  
400 @ 144.875

FIG.57

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MOST ACTIVE STOCKS		AFTER HOURS MKT. IS OPEN			
DAY MARKET	NITE MARKET	5782			
IBM +2.55/105.75	IBM +.95/105.75-NEWS			148	NM AHM
DELL +2.25/78.5	DELL +.87/78.5			147	
T +1.75/99.25	CSCO +.75/45.87-NEWS			146	
CSCO +1.75/45.87	INTC +.70/111.75			145	
INTC +1.70/111.75	CMPT -.65/78.00				
CMPT +1.25/78.00	GTWY +.62/75.75				
GTWY +1.22/75.75	XRX +.52/75.75				
HP +1.05/58.25	ADD -.45/58.25-NEWS				
ICGX +1.00/90.375	ICGX -.38/90.375-NEWS			144	
KLAC +.98/43.75	KLAC +.38/43.75				
FMC +.95/56.00	MPC -.25/56.00			143	
DOW +1.98/8976.87					
NASDAQ +1.25/10979					
MORE STOCKS BELOW					
					YOUR POS. \$143.50
					P&L +\$4,568
					OVERALL P&L +19%
980,000	\$144.88	\$143.00	LAST AHM	CHNG. AHM	LAST NM
ORDER BK.	CHART	MOST ACTIVE	145.25	2.25%	\$144.88
TO SHOW NEW STOCK ENTER SYMBOL>>		SHOW NEWS	NEWS OUT	DAY MKT.	NITE MKT.
		SYMBOL	MOVEMENT UP	COMPRESS SPREAD	BUY SELL

FIG. 57A

SUBSTITUTE SHEET (RULE 26)

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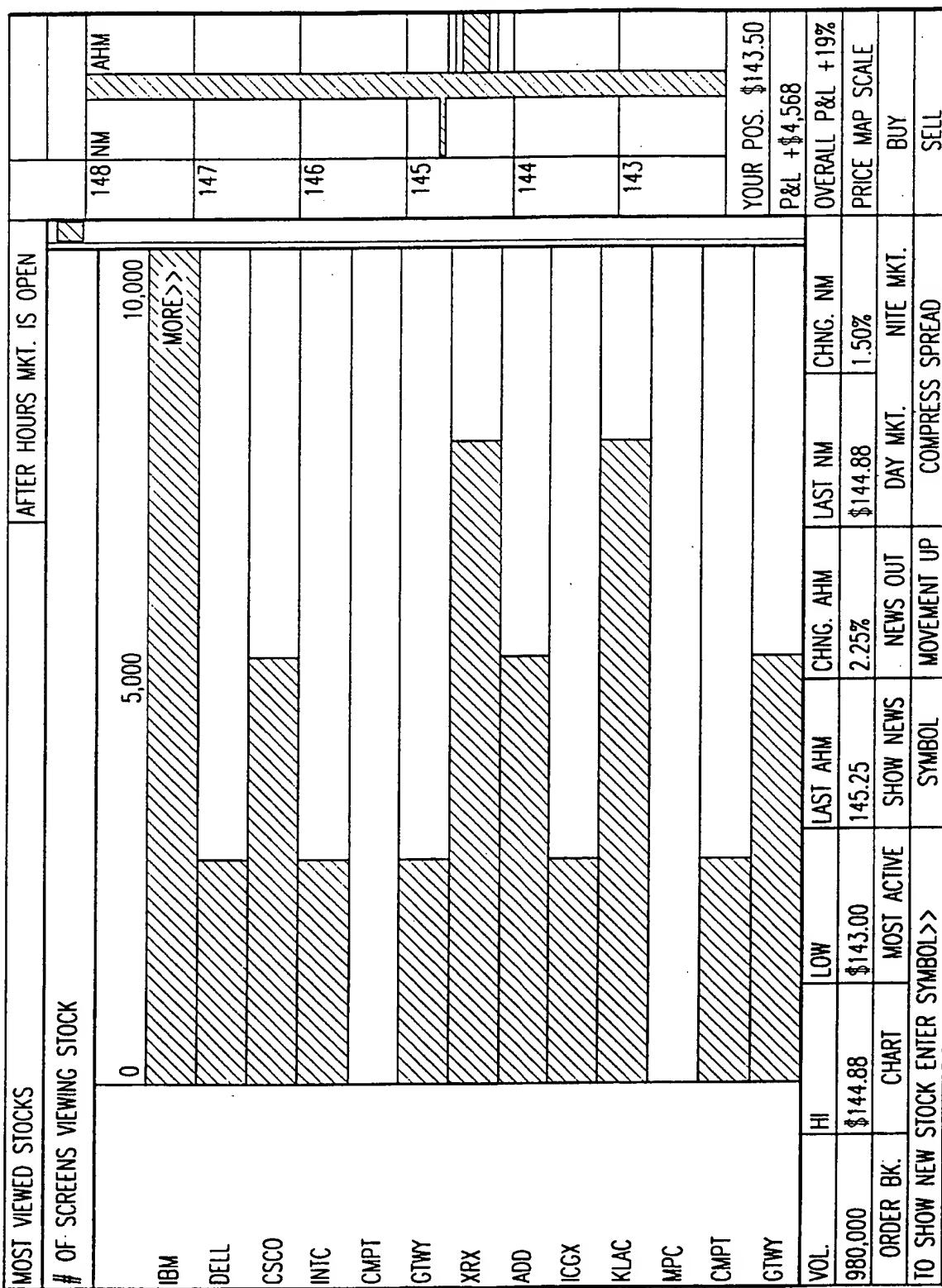


FIG. 57B

SUBSTITUTE SHEET (RULE 26)

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CHART OF TRADING ACTIVITY  
IBM INTERNATIONAL BUSINESS MACHINES

STOCK C

148 IBM  
147  
146  
145  
144  
143

142 141 140 139 138 137 136 135 134 133 132 131 130 129 128 127 126 125 124 123 122 121 120 119 118 117 116 115 114 113 112 111 110 109 108 107 106 105 104 103 102 101 100 99 98 97 96 95 94 93

9:30 10:30 11:30 12:30 1:30 2:30 3:30 4:30

YEST. PRC: 143.50  
P/L: +14.50  
OVERALL P/L: 1950  
PRICE MAP SCALE

VOL	1H	LOW	HIGH	CHG/AMM	LAST AMM	CHG/AMM
930,000	144.88	143.00	145.25	2.75X	144.88	1.50X
ORDER BK. CHART	MOST ACTIVE	NEWS	NEWS OUT	DAY MAT.	NITE MAT.	BUY
1. SHOW NOT STOCK (ENTER SYMBOL >>)	SYMBOL	MOVEMENT	UP/DOWN	COMPRESS SPREAD	SELL	

CHART OF TRADING ACTIVITY				AFTER HOURS MKT. IS OPEN					
STOCK D		BUY SIDE		PRICE IN 1/16		SELL SIDE		145 AM	
YOUR ORDERS		ACH. CITY.		LIMIT. QTY.		DECIMALS		LIMIT. CITY.	
147									
146									
145									
144									
143									
142									
141									
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11									
10									
9									
8									
7									
6									
5									
4									
3									
2									
1									
0									
LAST	AMM	CHNG	AMM	LAST	AMM	CHNG	AMM	OVERALL	PERCENT
YOL	HU	LOW	LAST	AMM	CHNG	AMM	LAST	AMM	PERCENT

WIT CAPITAL	PREFERENCES					HELP
ON-LINE	SENT			RECEIVED AT WIT	REF: 3467	9:32:00 AM EST
OWST +1	FDE +87	HGB +76	UHJ +78	GTWY +.15	NTSC +.75	MORE ABOVE
WIT 25 + 1.89	DELL +2	FMT -.75	CPM +6	PRD +.55	DEF +.88	FRX -.45
WATCH STKS. +34	ICGX -.5.5	APPL +3.5	AMAT +.12	CMPT +.75	PGEX -3	PXD +.55
YOUR STKS. +87	KLAC +.5	USSB +3.75	GM -.76	RAND -.55	OWST +1	DJA +.65
TRADE STOCKS	POS./BAL.	P&L HISTORY	SUMMARY	NEWS SITES	WIT NEWS	IPO INFO.
QUICK QUOTE	OPEN ORDERS	NEGOTIATIONS	VIEW E-MAIL	WEB WINDOW	PEEL OFF DISPLAY	OTHER FUNCTIONS
						SHRINK

FIG.57C

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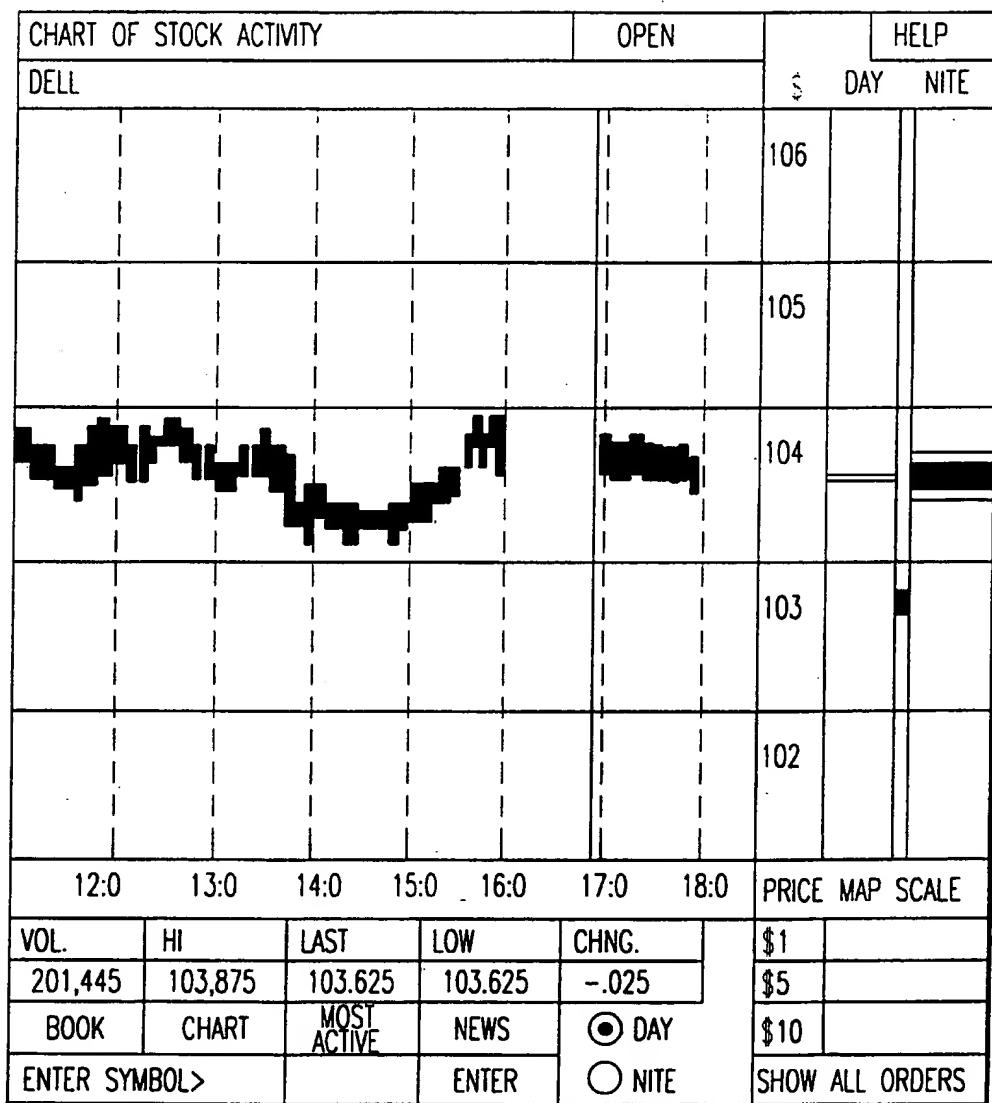


FIG. 58

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CHART OF STOCK ACTIVITY		OPEN		HELP	
DAY AT CLOSE		NITE MOST ACTIVE		\$	DAY NITE
AOL	169.75	AOL	169.75	55	
DELL	52.875	DELL	52.875		
MSFT	123.5625	MSFT	123.5625	54	
IBM	105.75	IBM	144.5 NEWS		
T	99.25	INTC	111.75 NEWS	53	
INTC	111.75	CMPT	78.00		
CMPT	78.00	GTWY	75.75		
GTWY	75.75	XRX	75.75	52	
HP	58.25	ADD	58.25 NEWS		
ICGX	90.375	ICGX	90.375 NEWS	51	
KLAC	43.75	KLAC	43.75		
FMC	56.00	MPC	56.00 NEWS	DELL	
MORE BELOW ▽				\$1	
				\$5	
BOOK	CHART	MOST ACTIVE	NEWS	<input checked="" type="radio"/> DAY	\$10
ENTER SYMBOL>	DELL	ENTER		<input type="radio"/> NITE	SHOW ALL ORDERS

FIG.59

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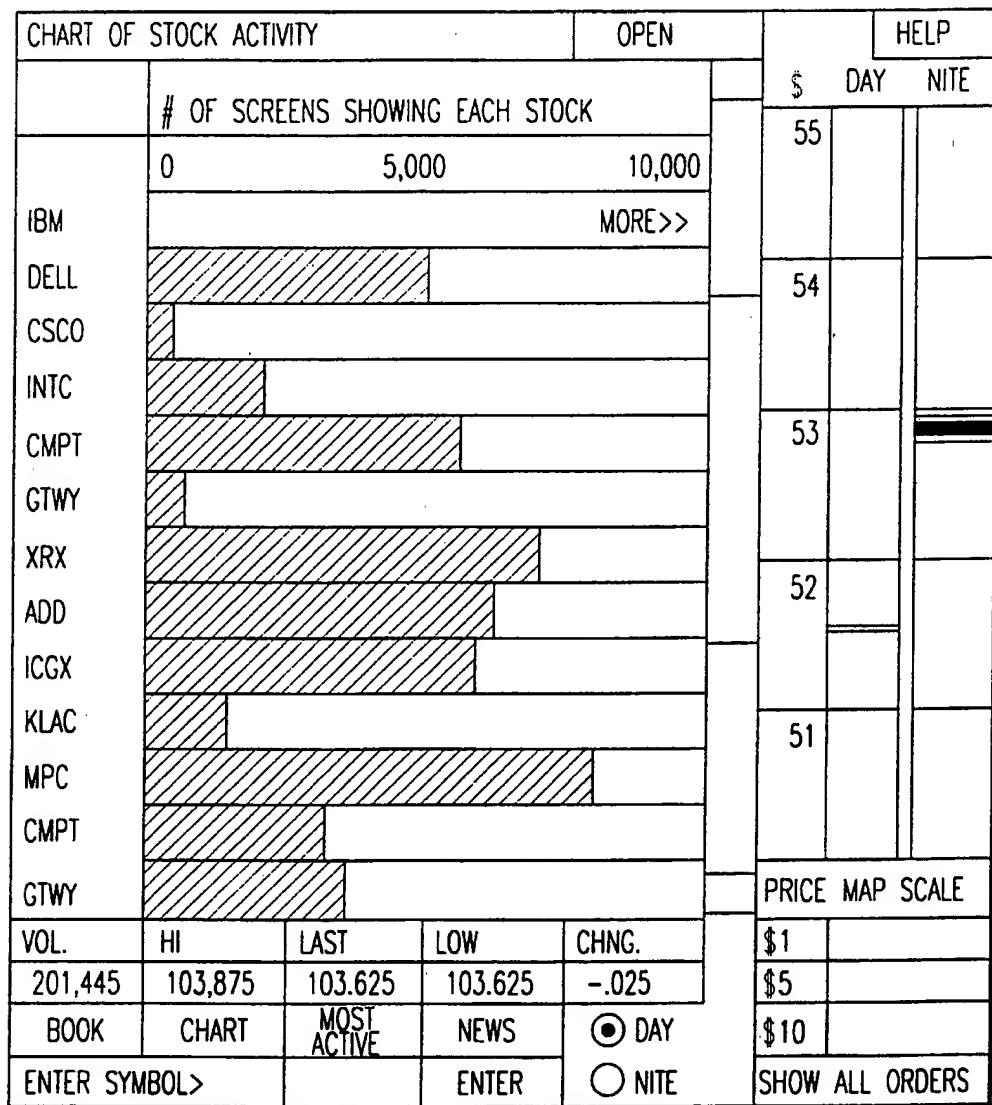


FIG.60

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AFTER HOURS ORDER BOOK				OPEN	HELP			
DELL						\$	DAY	NITE
BUY AON	BUY LIMIT	PRICE 1/16	SELL LIMIT	SELL AON		55		
		53	100	500	▲			
		52.9375	500	1000				
		52.875	400	500	54			
		52.8125	400					
	100	52.75						
		52.6875				53		
	100	52.625						
	100	52.562						
		52.5						
		52.4375				52		
	800	52.375						
		52.3125						
	100	52.25				51		
		52.1875						
	400	52.125						
		52.0625						
	200	52			▼	PRICE MAP SCALE		
VOL.	HI	LAST	LOW	CHNG.		\$1		
1,000	53	51.625	51.625	-.0625		\$5		
BOOK	CHART	MOST ACTIVE	NEWS		<input checked="" type="radio"/> DAY	\$10		
ENTER SYMBOL>		DELL	ENTER		<input type="radio"/> NITE	SHOW ALL ORDERS		

FIG.61

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BACK	FORWARD	HOME	FIND	STOP	OTHER FUNCTIONS	HELP	SEARCH	DAY	NITE
DSM NEWS	PRE-OPENING	OPENING BELL	HOT SHOTS	NEWS OUT	CLOSING BELL			55	
<b>HOT SHOTS</b> news on the 24 most active stocks									
7:37pm EST: reported by Amy Cortese DMS news service									
<ul style="list-style-type: none"> <li>•IBM Reports earnings up 22% over same period last year.</li> <li>•DELL In after hours news, reports earnings up 42% over last year same quarter.</li> <li>•CMPT In after hours news, reports launch of new direct sales plan for internet.</li> <li>•XRX Rumors Xerox has received patent for super high resolution display.</li> <li>•HP In after hours announcement, HP reports 34% decline in sales for 2nd quarter.</li> <li>•T Rumors of joint venture with IBM on wireless internet service.</li> <li>•CCI In after hours news, reports earnings up 56% over last year same quarter.</li> <li>•BA No news.</li> <li>•CSCO Rumors Xerox has received patent for super high resolution display.</li> <li>•RJR In after hours announcement, reports 31% decline in sales for 2nd qtr.</li> <li>•MCI Rumors of joint venture with @ Home on Cable modem trading system.</li> <li>•FRP No news.</li> <li>•GM Reports 8% loss for quarter.</li> </ul>									
SHOW HELP	SHOW EMAIL	SHOW NEWS		SHOW CHART	SORT NEWS	SHOW MY STKS.	PRICE MAP SCALE		
1,000	53	51.625	51.625	-.0625	\$5		\$1		
BOOK	CHART	MOST ACTIVE	NEWS		● DAY		\$10		
ENTER SYMBOL>		DELL	ENTER		○ NITE		SHOW ALL ORDERS		

FIG.62

## INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US00/05150

## A. CLASSIFICATION OF SUBJECT MATTER

IPC(7) : G06F 17/60, 17/00  
US CL : 705/35, 37, 39; 709/203

According to International Patent Classification (IPC) or to both national classification and IPC

## B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)

U.S. : 705/35 37,39; 709/203

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)  
WEST, EAST, STN ONLINE DIALOG, IEEE

## C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
Y	US 5,809,483 A (BROKA et al) 15 September 1998, see entire document.	1-21
Y,P	US 5,950,177 A (LUPIEN et al) 07 September 1999, see entire document.	1-21

<input type="checkbox"/>	Further documents are listed in the continuation of Box C.	<input type="checkbox"/>	See patent family annex.
* Special categories of cited documents:			
*A*	document defining the general state of the art which is not considered to be of particular relevance	*T*	later document published after the international filing date or priority date and not in conflict with the application but used to understand the principle or theory underlying the invention
*E*	earlier document published on or after the international filing date	*X*	document of particular relevance, the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone
*I*	document which may throw doubts on priority claims(s) or which is cited to establish the publication date of another citation or other special reason (as specified)	*Y*	document of particular relevance, the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art
*O*	document referring to an oral disclosure, use, exhibition or other means	*A*	document member of the same patent family
*P*	document published prior to the international filing date but later than the priority date claimed		

Date of the actual completion of the international search 09 APRIL 2000	Date of mailing of the international search report 25 APR 2000
Name and mailing address of the ISA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231 Facsimile No. (703) 305-3230	Authorized officer ALLEN MACDONALD Telephone No. (703) 305-9708 <i>James R. Matthews</i>